

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Controlling officer: the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) will account for expenditure under this Head.

Estimate 2022–23 **\$4,587.4m**

Establishment ceiling 2022–23 (notional annual mid-point salary value) representing an estimated 265 non-directorate posts as at 31 March 2022 reducing by two posts to 263 posts as at 31 March 2023 **\$197.3m**

In addition, there will be an estimated 25 directorate posts as at 31 March 2022 and as at 31 March 2023.

Commitment balance..... **\$271,763.1m**

Controlling Officer's Report

Programmes

| | |
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| Programme (1) Director of Bureau's Office | This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Commerce and Economic Development). |
| Programme (2) Commerce and Industry Programme (3) Subvention: Hong Kong Trade Development Council | These programmes contribute to Policy Area 6: Commerce and Industry (Secretary for Commerce and Economic Development). |
| Programme (4) Posts, Competition Policy and Consumer Protection Programme (5) Subvention: Consumer Council | These programmes contribute to Policy Area 4: Posts, Competition Policy and Consumer Protection (Secretary for Commerce and Economic Development). |
| Programme (6) Travel and Tourism Programme (7) Subvention: Hong Kong Tourism Board | These programmes contribute to Policy Area 5: Travel and Tourism (Secretary for Commerce and Economic Development). |
| Programme (8) Public Safety | This programme contributes to Policy Area 7: Public Safety (Secretary for Commerce and Economic Development). |
| Programme (9) Subvention: Competition Commission | This programme contributes to Policy Area 4: Posts, Competition Policy and Consumer Protection (Secretary for Commerce and Economic Development). |

Detail

Programme (1): Director of Bureau's Office

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 13.5 | 13.8 | 13.8 (—) | 14.2 (+2.9%) |
| | | | | (or +2.9% on 2021–22 Original) |

Aim

2 The aim is to ensure the smooth operation of the Office of the Secretary for Commerce and Economic Development.

Brief Description

3 The Office of the Secretary for Commerce and Economic Development is responsible for providing support to the Secretary for Commerce and Economic Development in undertaking political work. This includes the support provided by the Under Secretary and the Political Assistant. The office is also responsible for providing administrative support to the Secretary for Commerce and Economic Development in carrying out his duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Programme (2): Commerce and Industry

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|------------------------------------|
| Financial provision (\$m) | 4,011.4 | 6,225.9 | 6,152.1 (–1.2%) | 770.0 (–87.5%) |
| | | | | (or –87.6% on 2021–22 Original) |

Aim

4 The aim is to enhance Hong Kong's role as an international trade centre under the National 14th Five-Year Plan. The Branch seeks to encourage Hong Kong's trading partners, through multilateral, regional and bilateral means, to remove barriers to trade and investment; to promote Hong Kong's strengths so as to maintain international business confidence in Hong Kong; to develop Hong Kong as a competitive and knowledge-based economy by increasing the added value and productivity of Hong Kong's industries and enhancing the long-term competitiveness of small and medium enterprises (SMEs); to foster our trading and investment ties with the Mainland and support our businesses in seizing the opportunities created by the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), particularly in the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area), and the Belt and Road Initiative; to attract external direct investment into Hong Kong and to foster economic and trade exchanges and co-operation with Taiwan; and to maintain a modern and comprehensive intellectual property (IP) regime which complies fully with international standards and develop Hong Kong into a regional IP trading centre in accordance with the National 14th Five-Year Plan.

Brief Description

5 The Commerce, Industry and Tourism Branch's main responsibilities under this programme are to:

- lead and co-ordinate the work on the Belt and Road Initiative, including strategy formulation and implementation of programmes and measures with a view to seeking out Belt and Road related business opportunities;
- oversee the policy work related to the overseas Economic and Trade Offices (ETOs), including enhancing their functions and expanding the ETO network;
- formulate policies on promotion of trade in goods and services;
- institute measures and arrangements to facilitate international trade and gain market access for Hong Kong's goods, services and investment;
- formulate policies to attract more external direct investment into Hong Kong;
- foster friendship and understanding between the business communities of Hong Kong and our major markets;
- formulate policies to support SMEs;
- formulate policies on protection of IP rights and the development of Hong Kong into a regional IP trading centre;
- formulate policies and implementation proposals on the development of a trade single window (TSW) in Hong Kong;
- promote and safeguard market access of Hong Kong's goods and services through overseeing Hong Kong's active participation in the multilateral trading system, including seeking further trade liberalisations under the World Trade Organization (WTO);
- foster greater regional co-operation in the Asia-Pacific region through overseeing Hong Kong's active participation in the Asia-Pacific Economic Cooperation (APEC);
- enhance mutually beneficial economic relationship between Hong Kong and the Mainland through CEPA;
- enhance economic co-operation with trading partners as well as assist enterprises in diversifying markets and securing better market access through establishing co-operation arrangements, forging free trade agreements (FTAs) and investment promotion and protection agreements (IPPAs);
- provide support to local businesses in developing overseas and Mainland domestic sales markets; and
- support the further development of wine-related businesses in Hong Kong.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

6 During 2021–22, the Branch:

- pursued actively the Belt and Road Initiative by launching the first Mainland Enterprises Partnership Exchange and Interface Programme and holding a sharing session in May 2021; organising two webinars to promote the overseas Economic and Trade Co-operation Zones (ETCZs) in June 2021; convening the fourth Joint Conference on Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative (Joint Conference) with the Central Authorities in July 2021; co-organising the sixth Belt and Road Summit with the Hong Kong Trade Development Council (HKTDC) on 1 and 2 September 2021; signing a Memorandum of Understanding with the Ministry of Commerce on enhancing exchanges and co-operation in promoting high-quality development of overseas ETCZs in September 2021; and organising two webinars, one with the government of Vietnam in September 2021 and another with Cambodia in November 2021;
- continued to work in collaboration with the Information Services Department, Hong Kong agencies with overseas presence, local and overseas business chambers in Hong Kong and various stakeholders to formulate external promotion strategies and messages to enhance Hong Kong's international image as the best place to do business and the premier destination for investment and tourists;
- opened the 14th overseas ETO - the Dubai ETO in the United Arab Emirates in October 2021; and continued with the policy work related to ETOs;
- continued to closely monitor the developments of the "Economic and Trade Agreement between the Government of the People's Republic of China and the Government of the United States of America" (Phase One Trade Agreement) signed in January 2020 and related issues as well as trade actions of the United States (US) Government against Hong Kong and their impact on Hong Kong's economy; and maintained close communication with the trade;
- continued to pursue under the WTO Dispute Settlement Mechanism the case against the revised origin marking requirement of the US on products originating from Hong Kong; and maintained close communication with the trade;
- worked with the Trade and Industry Department (TID) in enhancing the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund), including increasing the cumulative funding ceiling per enterprise and extending by phases its geographical coverage to include economies with which Hong Kong has signed IPPAs;
- worked with TID in enhancing the SME Export Marketing Fund (EMF), including expanding its funding scope, for a period of two years, to cover large-scale exhibitions organised by organisers with proven track record targeting the local market, as well as virtual exhibitions organised by reputable exhibition organisers; and relaxing the eligibility criteria to cover non-SMEs;
- completed a pilot project to review the application process of the BUD Fund through design thinking to enhance the utilisation of government funding schemes to SMEs;
- enhanced the SME Financing Guarantee Scheme (SFGS), including increasing the Government's loan guarantee commitment, extending the application period for the Special 100% Guarantee Product to 30 June 2022 and the maximum duration of principal moratorium to 24 months;
- continued to work with the Hong Kong Export Credit Insurance Corporation (HKECIC) to assist Hong Kong exporters, including extending the validity period of the "100% Credit Limit Top-Up Scheme" to 30 June 2022 and introducing other HKECIC's enhanced measures to strengthen the support and protection to Hong Kong exporters amid the COVID-19 pandemic;
- oversaw the work of Invest Hong Kong in attracting overseas and Mainland companies to set up and expand their businesses in Hong Kong;
- worked on the planning for new convention and exhibition facilities to maintain and consolidate the international status of Hong Kong's convention and exhibition industry;
- continued to implement the Convention and Exhibition Industry Subsidy Scheme under the Anti-epidemic Fund with a view to reinvigorating the convention and exhibition industry;
- continued to implement the Professional Services Advancement Support Scheme (PASS) to provide funding support for non-profit-making industry-led projects aimed at increasing exchanges and co-operation of Hong Kong's professional services with their counterparts in external markets, promoting relevant publicity activities, and enhancing the standards and external competitiveness of Hong Kong's professional services, including setting up the new Professionals Participation Subsidy Programme (PSP) under PASS to subsidise major professional bodies to participate in relevant activities for stepping up promotion of Hong Kong's professional services to the Greater Bay Area and overseas markets after the pandemic has stabilised;
- continued to oversee the implementation of a series of initiatives to develop Hong Kong into a regional IP trading centre;
- continued to oversee the implementation of the Original Grant Patent system;

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- continued to oversee the preparatory work for the implementation of the international trade mark registration system under the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid Protocol) in Hong Kong, including preparing the related subsidiary legislation and setting up the required information technology (IT) system;
- revived the Copyright Ordinance (Cap. 528) amendment exercise by conducting a public consultation on updating Hong Kong's copyright regime to strengthen copyright protection in the digital environment;
- continued to oversee efforts to promote awareness of and respect for IP rights in the community and the business sector;
- continued to take forward the development of TSW, including engaging a contractor for the development of the Phase 2 IT system; and conducting technical studies and finalising the detailed proposals for the implementation of Phase 3;
- continued to monitor the operation of the Government Electronic Trading Services (GETS) and rolled out the adoption of iAM Smart in GETS;
- continued to oversee measures taken by the Customs and Excise Department (C&ED) to enhance cargo clearance efficiency and expedite cross-boundary cargo flow, including the Single E-lock Scheme and the Hong Kong Authorized Economic Operator (AEO) Programme;
- oversaw participation in the work of the WTO, including preparation for the Twelfth WTO Ministerial Conference and safeguarding Hong Kong's rights through monitoring and responding to trade restrictive measures which impacted on Hong Kong's trade interests and posed systemic risks to the multilateral trading system;
- oversaw participation in the APEC for strengthening regional economic integration, promoting free and open trade and investment in the region and implementing the APEC Putrajaya Vision 2040;
- oversaw discussions with the Mainland on further market liberalisation and facilitation of trade and investment through CEPA, and on ensuring smooth implementation of the measures announced;
- oversaw the ratification of the IPPA with Mexico and the IPPA discussion with Russia and Turkey;
- collaborated with the Mainland authorities and HKTDC to help Hong Kong enterprises develop the Mainland domestic sales market, including the introduction of a one-stop "GoGBA" digital platform, establishment of a "HKTDC GBA Centre" in Shenzhen, and signing of memoranda of understanding between HKTDC and the relevant authorities of Guangdong, Shanghai, Sichuan and Hubei respectively;
- co-ordinated through HKTDC the participation of the Hong Kong enterprises in the fourth China International Import Expo (CIIE) in Shanghai to promote Hong Kong products and services to the Mainland market, and to introduce Hong Kong's role as a gateway under the national "dual circulation" strategy;
- continued to implement measures to underpin the further development of wine-related businesses in Hong Kong, including wine trade promotion and the facilitation scheme for wine re-exports to the Mainland; and
- continued to implement the Local Mask Production Subsidy Scheme under the Anti-epidemic Fund.

Matters Requiring Special Attention in 2022–23

7 In 2022–23, the Branch will:

- continue to proactively consolidate Hong Kong's unique advantages and positioning as the prime functional platform and a key link for the Belt and Road Initiative by reinforcing co-operation with relevant Mainland authorities and maintaining ties with other stakeholders and governments along the Belt and Road, including convening the fifth Joint Conference with the Central Authorities; co-organising with HKTDC the seventh Belt and Road Summit; and identifying and exploring business opportunities in Belt and Road related countries and regions;
- continue to step up global promotion of Hong Kong's business advantages, strengthen outreach to investors and attract multinational companies to set up regional or global operations in Hong Kong so as to capitalise on the opportunities arising from the National 14th Five-Year Plan, the Greater Bay Area development and Belt and Road Initiative;
- oversee the organisation of a series of events to celebrate the 25th Anniversary of the Establishment of the Hong Kong Special Administrative Region (HKSAR) by the departments and agencies under the Branch's purview;
- continue to collaborate with various departments, agencies and stakeholders to formulate external promotion strategies in bolstering Hong Kong's international image;
- continue to strengthen policy work related to ETOs, including enhancing their functions and formulating strategies on expansion of the ETO network;
- continue to monitor developments on various regional economic integration initiatives and explore opportunities for Hong Kong's participation;

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- continue to oversee discussions or negotiations with trading partners on enhancement of economic co-operation;
- continue to oversee collaboration among agencies responsible for promoting trade and inward investment;
- continue to closely monitor the bilateral trade relations between Mainland China and the US as well as trade actions of the US Government against Hong Kong, and assess their impact on Hong Kong's economy; and maintain close communication with the trade, and consider introducing further measures to provide timely support to the trade as necessary;
- monitor the progress and outcome of the case against the US' revised origin marking requirement on products originating from Hong Kong pursued under the WTO Dispute Settlement Mechanism; and continue to maintain close communication with the trade;
- continue to step up promotion of government funding schemes, with a view to enhancing their utilisation;
- continue to work with TID and the Hong Kong Productivity Council to implement the enhanced BUD Fund to support Hong Kong enterprises in developing their brands, upgrading and restructuring their operations and promoting sales in the Mainland and other FTA and/or IPPA markets;
- continue to work with TID to implement the enhanced EMF to support Hong Kong enterprises in exploring the Mainland and overseas markets, and in conducting promotion activities including through digital means such as online exhibitions and online business missions;
- enhance the SFGS, including increasing the Government's loan guarantee commitment, extending the application period of various guarantee products, and increasing the maximum loan amount per enterprise, maximum repayment period and maximum duration of principal moratorium for the Special 100% Guarantee Product;
- continue to work with HKECIC to enhance export credit insurance coverage for exporters through measures including the "Export Credit Guarantee Programme", "Flexible Indemnity Ratio" arrangement, "EC Reach 2.0" and other support measures;
- continue to work with the related industries to enhance the appeal of Hong Kong as an international convention, exhibition and tourism capital;
- continue to plan for new convention and exhibition facilities to maintain and consolidate the international status of Hong Kong's convention and exhibition industry;
- continue to implement the Convention and Exhibition Industry Subsidy Scheme under the Anti-epidemic Fund;
- continue to implement PASS to provide funding support for non-profit-making projects undertaken by non-profit distributing organisations, including implementing the new PSP to subsidise major professional bodies to participate in relevant activities;
- continue to oversee the implementation of a series of initiatives to develop Hong Kong into a regional IP trading centre;
- continue to oversee the implementation of the Original Grant Patent system;
- continue to oversee the preparatory work for the implementation of the international trade mark registration system under the Madrid Protocol in Hong Kong, including preparing the related subsidiary legislation and completing the setting up of the required IT system;
- continue to take forward the Copyright Ordinance amendment exercise, and our target is to introduce a bill to amend the Copyright Ordinance into the Legislative Council in the first half of 2022;
- continue to oversee efforts to promote awareness of and respect for IP rights in the community and the business sector;
- continue to take forward the development of TSW under Phases 2 and 3, including developing the Phase 2 IT system to extend the coverage of TSW to a total of 42 documents, and preparing a funding proposal for submission to the Finance Committee of the Legislative Council for the implementation of Phase 3;
- continue to monitor the operation of GETS;
- continue to oversee the work of C&ED in promoting the Single E-lock Scheme and the Hong Kong AEO Programme to the trade, and in further extending Hong Kong's network of AEO mutual recognition arrangement with other economies;
- continue to oversee participation in the work of the WTO, including safeguarding Hong Kong's rights through monitoring and responding to trade restrictive measures which impacted on Hong Kong's trade interests and posed systemic risks to the multilateral trading system;
- continue to oversee participation in the work of the APEC;
- continue to oversee efforts for seeking better market access and facilitation of trade and investment in the Mainland through CEPA, especially in strategic locations such as the Greater Bay Area (including Qianhai) and Hainan;

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- continue to seek early accession to the Regional Comprehensive Economic Partnership;
- continue to oversee the negotiations of the IPPA with Russia and Turkey respectively; and the signing of IPPAs with Bahrain and Myanmar respectively upon completion of all the necessary procedures;
- continue to collaborate with the Mainland authorities and HKTDC to help Hong Kong enterprises promote their products and services to the Mainland market;
- continue to co-ordinate Hong Kong's participation in CIIE; and
- continue to support the further development of wine-related businesses in Hong Kong.

Programme (3): Subvention: Hong Kong Trade Development Council

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 624.2 | 634.1 | 638.1 (+0.6%) | 600.2 (–5.9%) |
| | | | | (or –5.3% on 2021–22 Original) |

Aim

8 The aim is to help HKTDC perform its statutory functions, i.e. to promote, assist and develop Hong Kong's trade with places outside Hong Kong, with particular reference to exports; and to make recommendations to the Government as it sees fit in relation to any measures which it considers would achieve an increase in Hong Kong's trade.

Brief Description

9 A statutory body established in 1966, HKTDC is the international marketing arm for Hong Kong-based traders, manufacturers and services providers. With 50 offices worldwide, including 13 in the Mainland, the HKTDC:

- promotes Hong Kong as a platform for doing business with the Mainland and worldwide, as a commercial hub for the Belt and Road Initiative, and as a two-way platform for the Greater Bay Area;
- organises trade fairs and major conferences, e-marketplace on hktcdc.com, international trade promotion events and business missions to help Hong Kong companies seize opportunities in the Mainland and around the world;
- provides market information through hktcdc.com, research reports and its research portal, and a market intelligence website “Hong Kong Means Business”;
- organises workshops to assist Hong Kong companies to enhance their capabilities; and
- reinforces Hong Kong as a global marketplace in the Asia-Pacific region through corporate relations and business promotion activities around the world, including support for six bilateral committees and 46 Hong Kong business associations in 35 countries and regions.

10 The key performance measures in respect of promoting Hong Kong's external trade are:

Indicators

| | 2020 (Actual) | 2021 (Actual) | 2022 (Estimate) |
|---|------------------|------------------|--------------------|
| trade and services promotion | | | |
| events | 634 | 652 | 670 |
| companies participating | 51 464 | 54 009 | 57 250 |
| local fairs | | | |
| no. of Mainland and overseas buyers | 133 955 | 211 214 | 282 400 |
| no. of fairs | 12 | 30 | 33 |
| business-matching enquiries worldwide | | | |
| no. of business enquiries handled | 3 218 543 | 3 350 074 | 3 450 000 |
| no. of business connections made | 19 896 593 | 19 984 903 | 19 990 000 |
| trade publications# | | | |
| worldwide circulation (million) | 1.9 | 0.1 | — |
| no. of issues | 35 | 12 | — |

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

| | 2020 (Actual) | 2021 (Actual) | 2022 (Estimate) |
|---|------------------|------------------|--------------------|
| trade portal (hktcdc.com)#..... | | | |
| no. of new registered users..... | — | 90 534 | 108 000 |
| no. of visits to online sourcing platform | — | 12 235 285 | 12 280 000 |
| no. of advertisers | 21 905 | 18 309 | 20 100 |

The drop in trade publications in 2021 was due to HKTDC's shift of focus from printed publications to digital channels amid the worldwide trend, with HKTDC providing a wider range of digital offerings and directing more resources to assist SMEs to embrace e-commerce and digitalisation. The two indicators under "trade publications" will be replaced by "no. of new registered users" and "no. of visits to online sourcing platform" under the "trade portal (hktcdc.com)" from 2022 onwards.

Matters Requiring Special Attention in 2022–23

11 In 2022–23, to support the economic recovery during and after the pandemic, HKTDC will:

- step up efforts and support to help Hong Kong SMEs ride out the pandemic challenges;
- help Hong Kong and international businesses capitalise on the promising opportunities offered by the National 14th Five-Year Plan with the Greater Bay Area development as a central theme, including Hong Kong businesses, professional services sector and start-ups operating in the Mainland to tap into the opportunities of the Mainland market;
- promote a "Hong Kong-Mainland-ASEAN" tripartite partnership;
- organise a series of events to celebrate the 25th Anniversary of the Establishment of the HKSAR;
- promote Hong Kong as an investment and innovation hub, in particular for the healthcare and financial sectors; and
- make the hybrid mode comprising both physical and virtual offerings a regular feature in its anchor events to provide a seamless online to offline experience for event participants.

Programme (4): Posts, Competition Policy and Consumer Protection

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------|
| Financial provision (\$m) | 10.7 | 10.2 | 10.2 (—) | 10.2 (—) |

(or same as
2021–22 Original)

Aim

12 The aims are to promote economic efficiency in the delivery of postal services; to promote competition; and to protect consumer interests.

Brief Description

13 The Branch's main responsibilities under this programme are to formulate policies and programmes in relation to postal services, the promotion of economic efficiency and free market through competition, and the protection of consumer interests.

14 During 2021–22, the Branch:

- monitored the implementation of the Competition Ordinance (Cap. 619) (CO);
- published the annual report of the Competition Policy Advisory Group (COMPAG) for the year 2020 on the COMPAG website, and continued to co-ordinate the work of government bureaux and departments in promoting competition;
- monitored the implementation of the amended Trade Descriptions Ordinance (Cap. 362) in tackling unfair trade practices that may be deployed in consumer transactions;
- monitored the operation of the Post Office Trading Fund (POTF) and worked with Hongkong Post (HKP) on measures to improve POTF's financial position;
- monitored the project to re-provision the HKP's Headquarters; and
- worked with HKP in securing the funding for the redevelopment of the Air Mail Centre (AMC) with a view to enhancing the handling capacity and efficiency.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Matters Requiring Special Attention in 2022–23

15 During 2022–23, the Branch will continue to:

- monitor the implementation of the CO in tackling anti-competitive conduct in different sectors;
- support the work of COMPAG;
- review the way forward of the legislative proposal to stipulate a statutory cooling-off period for certain consumer contracts, as well as the timing for introducing the legislation, having regard to the prevailing economic situation and consumption sentiment;
- monitor the implementation of the amended Trade Descriptions Ordinance in tackling unfair trade practices that may be deployed in consumer transactions;
- monitor the operation of POTF and work with HKP on measures to improve POTF's financial position; and
- monitor the project to re-provision the HKP's Headquarters and the project to redevelop the AMC.

Programme (5): Subvention: Consumer Council

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 146.5 | 138.6 | 141.7 (+2.2%) | 140.7 (–0.7%) |
| | | | | (or +1.5% on 2021–22 Original) |

Aim

16 The aim is to protect and promote the interests of consumers of goods and services.

Brief Description

17 The Consumer Council (the Council) is an independent body established under the Consumer Council Ordinance (Cap. 216). The Council discharges its functions by:

- collecting, receiving and disseminating information concerning goods, services and immovable property;
- examining complaints and giving advice to consumers;
- tendering advice to the Government on ways to enhance consumer protection;
- conducting product tests and research;
- encouraging business and professional associations to establish codes of practice to regulate the activities of their members;
- monitoring trade practices;
- facilitating consumers to seek redress through the use of the Consumer Legal Action Fund; and
- empowering consumers through education and publicity campaigns.

18 The key performance measures in respect of protection and promotion of consumer interests are:

Targets

| | Target | 2020 (Actual) | 2021 (Actual) | 2022 (Plan) |
|-----------------------------------|--------|------------------|------------------|----------------|
| handling consumer enquiries | | | | |
| telephone calls answered within | | | | |
| three minutes (%) | 80 | 77 | 59# | 80 |
| waiting time for over-the-counter | | | | |
| enquiry service not to exceed | | | | |
| ten minutes (%)..... | 100 | 100 | 100 | 100 |
| issuing reply in writing within | | | | |
| ten working days (%)..... | 100 | 100 | 95 | 100 |

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

| | Target | 2020 (Actual) | 2021 (Actual) | 2022 (Plan) |
|---|--------|------------------|------------------|----------------|
| handling consumer complaints | | | | |
| telephone calls answered within three minutes (%) | 80 | 78 | 58# | 80 |
| in writing | | | | |
| issuing preliminary reply within five working days (%) | 100 | 98.9 | 99.0 | 100 |
| notifying complainants of results/progress within nine working days (%) | 100 | 99.8 | 100 | 100 |
| publications of “CHOICE” and release of product testing, research and survey results once per month (%) | 100 | 100 | 100 | 100 |

The actual percentage achieved was lower than the target due to the business suspension of one trader in September 2021, which brought over 1 000 cases in two months, resulting in a stretch in manpower to receive calls.

Indicators

| | 2020 (Actual) | 2021 (Actual) | 2022 (Estimate) |
|--|------------------|------------------|--------------------|
| consumer complaints..... | 30 935 | 27 382 | 27 000 |
| consumer enquiries..... | 68 737 | 67 080 | 65 000 |
| product tests^ | 46 | 45 | 45 |
| consumer surveys^..... | 27 | 26 | 26 |
| in-depth studies^ | 12 | 13 | 13 |
| studies of general interest^ | 19 | 20 | 20 |
| response to consultation from the Government and other public bodiesΘ | 5 | 15 | 7 |
| consumer education programmes..... | 162 | 403@ | 240 |
| circulation of publications..... | 269 000 | 259 400 | 259 400 |

^ Each year, the Council conducts product tests, consumer surveys, in-depth studies and studies of general interest. Manpower and resources are deployed in accordance with the respective resource demands of researches and studies scheduled for the year.

Θ The number of responses to consultation depends on the number of consultations conducted by the Government and other public bodies during the year. The figure for the coming year is an indicative forecast only.

@ The number of consumer education programmes increased in 2021 as programmes designed for students were rearranged into small group activities at the request of schools in order to comply with anti-pandemic requirements.

Matters Requiring Special Attention in 2022–23

19 During 2022–23, the Council will complete various systems development projects with a view to strengthening the Council’s IT system, namely:

- the enhancement of the Council’s Complaint Case Management System to implement the recommendations in The Director of Audit’s Report No. 70;
- the launch of the customer relationship management system for the “CHOICE” Magazine;
- the launch of Search Engine Optimisation for further enhancement of website traffic; and
- the procurement of backup infrastructure enhancements and mobile device security management solution for the Council.

Programme (6): Travel and Tourism

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 4,740.0 | 1,408.5 | 1,816.4 (+29.0%) | 1,541.8 (–15.1%) |
| | | | | (or +9.5% on 2021–22 Original) |

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Aim

- 20** The aim is to maintain Hong Kong's position as a key tourist destination in Asia.

Brief Description

- 21** The Branch's main responsibilities under this programme are to:
- formulate policies and co-ordinate implementation of tourism projects and initiatives in consultation with the industry, relevant government departments and agencies to pursue -
 - the Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (the GBA Culture and Tourism Plan) promulgated by the Ministry of Culture and Tourism; and
 - the Development Blueprint for Hong Kong's Tourism Industry (the Development Blueprint).
- 22** During 2021–22, the Branch:
- supported the Travel Industry Authority (TIA), a new statutory regulatory body primarily responsible for the licensing and regulation of travel agents, tourist guides and tour escorts, to formulate the new regulatory regime for the travel industry;
 - continued to work with the Hong Kong Tourism Board (HKTb) and the Travel Industry Council of Hong Kong (TIC) to take forward various measures to help the tourism industry cope with the austere business environment;
 - continued to co-ordinate with government departments and relevant organisations on projects/initiatives to promote tourism development. Projects included "Yim Tin Tsai Arts Festival", a pilot arts cum historical, cultural and green tourism project at Yim Tin Tsai; "City in Time", a tourism project making use of augmented reality and multimedia creative technology; and the "Lei Yue Mun Waterfront Enhancement Project";
 - supported the promotion and marketing work of HKTb, including initiatives for recovery of Hong Kong tourism and relevant work on multi-destination itineraries, in key source markets and new markets;
 - co-ordinated with HKTb and relevant parties to further showcase Hong Kong as a premier destination for fine food and wine;
 - continued to monitor the implementation of the pilot scheme by HKTb on supporting tourism events showcasing Hong Kong's local characteristics;
 - continued to work with HKTb to enhance promotion of Hong Kong as a premier Meetings, Incentive Travels, Conventions and Exhibitions (MICE) destination and offer necessary support to prominent MICE events;
 - continued to work with the tourism sector, HKTb and relevant government departments to diversify and promote green tourism products on offer in Hong Kong through enhancing tourism supporting facilities of hiking trails; upgrading the facilities of the Wong Nai Chung Gap Trail so as to strengthen its appeal as a heritage and green tourism attraction; taking forward the upgrading of the facilities in the Hong Kong Wetland Park; and developing a hiking hub in Lantau and exploring similar facilities at Pak Tam Chung;
 - continued to work with the trade, HKTb, TIC, the Council and Mainland authorities to promote quality and honest tourism;
 - continued to monitor and support the operation of HKTb;
 - co-ordinated with the cruise trade, in close consultation with government bureaux and departments, on the resumption of cruise travel for locals with "cruise-to-nowhere" itineraries under a set of stringent health precautionary measures;
 - continued to monitor the operation of the Kai Tak Cruise Terminal and facilitate development of cruise industry in Hong Kong;
 - continued to work through the joint venture company to facilitate Hong Kong Disneyland Resort's operation and development;
 - concluded the first phase of the creative tourism project "Design District Hong Kong" and took forward the preparatory work for a new phase;
 - continued with the housekeeping responsibility for the Ocean Park Corporation (OPC), including disbursement of government funding to OPC to support Ocean Park's operation and facilitating its implementation of education initiatives, Water World and hotel projects;
 - worked with OPC and relevant government departments to take forward the future strategy for Ocean Park, including the conduct of tender exercises by OPC to identify partners for the development of the Park, commencing technical studies for the pier projects at Deep Water Bay and Tai Shue Wan, and exploring the feasibility of providing temporary landing facilities prior to the completion of the pier projects;
 - continued to work with TIC on regulation of travel agents, tourist guides and tour escorts under the existing regulatory regime of the travel industry;

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- continued to support TIC in taking forward different initiatives to enhance the competitiveness and service quality of the travel trade, including implementing the Pilot Information Technology Development Matching Fund Scheme for Travel Agents, enhancing and promoting the web-based tourism resource platform about Belt and Road related countries and regions and the Greater Bay Area cities, and strengthening training for the trade such as development of e-learning, etc.;
- continued to pursue further facilitating measures for overseas travellers visiting the Mainland via Hong Kong, including through the Agreement Concerning Amendment to the CEPA Agreement on Trade in Services signed in November 2019;
- co-ordinated with relevant government departments and the tourism sector to facilitate smooth operation of the Hong Kong Wetland Park, Ngong Ping 360 and Peak Tramways;
- continued to implement the pilot scheme on food trucks during the further extension period and completed a review;
- continued to maintain the official landing page “Visit Hong Kong” (visithongkong.gov.hk) to facilitate access to key tourism information on mobile devices by visitors at key control points;
- continued to lead the consultancy study on smart tourism development; and
- explored travel bubble arrangements with overseas economies which adopted similar anti-epidemic strategies.

Matters Requiring Special Attention in 2022–23

23 During 2022–23, the Branch will:

- continue to work with the tourism sector, HKTB, relevant stakeholders and government departments in promoting tourism products in Hong Kong as set out in the Development Blueprint;
- continue to work with relevant government departments, including the Agriculture, Fisheries and Conservation Department and the Civil Engineering and Development Department, to strengthen the appeal of heritage and green tourism offerings in Hong Kong through enhancing tourism supporting facilities of hiking trails; upgrading the facilities of the Wong Nai Chung Gap Trail; upgrading the facilities in the Hong Kong Wetland Park; face-lifting of Yim Tin Tsai Pier and Ma Liu Shui Ferry Pier; and developing a hiking hub in Lantau and planning for a similar development at Pak Tam Chung;
- review the functions of the “Visit Hong Kong” landing page;
- take forward as appropriate the recommendations of the consultancy study on smart tourism development;
- organise and co-ordinate events in the tourism sector to celebrate the 25th Anniversary of the Establishment of the HKSAR;
- continue to work with HKTB to enhance promotion of Hong Kong as a premier MICE destination and offer necessary support to prominent MICE events;
- continue to work closely with the Advisory Committee on Cruise Industry, the operators of the two cruise terminals, and HKTB to promote cruise tourism having regard to the progress of resumption of cruise travel;
- continue to work through the joint venture company to facilitate Hong Kong Disneyland Resort’s operation and development;
- launch the new phase of the arts cum historical, cultural and green tourism project at Yim Tin Tsai and neighbouring islands as well as the creative tourism project “Design District Hong Kong”;
- maintain the operation and implement the second phase of the City in Time project;
- continue to work closely with OPC and relevant government departments to take forward the future strategy for Ocean Park;
- continue to work closely with OPC to support Ocean Park’s operation and facilitate its implementation of education initiatives, Water World and hotel projects;
- continue to co-ordinate with relevant government departments and the tourism sector to facilitate the smooth operation of the Hong Kong Wetland Park, Ngong Ping 360 and Peak Tramways;
- take forward new initiatives implementing the directions set out in the GBA Culture and Tourism Plan and the Development Blueprint, including launching two funding schemes to encourage the tourism trade to develop and launch more tourism products with cultural and heritage tourism elements, and enhance training for tourism practitioners respectively;
- continue to liaise with relevant Mainland authorities to facilitate the implementation of CEPA and other tourism-related measures;
- continue to support HKTB in taking forward initiatives for the recovery of Hong Kong tourism and resuming promotion and marketing work in different source markets;

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- continue to monitor the implementation of the pilot scheme by HKTb on supporting tourism events showcasing Hong Kong's local characteristics;
- continue to work with the trade, HKTb, TIC, the Council and Mainland authorities to promote quality and honest tourism;
- continue to work with TIC on regulation of travel agents, tourist guides and tour escorts under the existing regulatory regime of the travel industry;
- continue to support TIA in its preparation for the full implementation of the new regulatory regime for the travel industry, including taking over the functions of the Travel Agents Registry and regulatory functions of TIC; and
- continue to support TIC in taking forward initiatives to enhance the competitiveness and service quality of the travel trade, including implementing the Pilot Information Technology Development Matching Fund Scheme of Travel Agents, enhancing and promoting the web-based tourism resource platform about Belt and Road related countries and regions and the Greater Bay Area cities, and strengthening training for the trade such as development of e-learning, etc.

Programme (7): Subvention: Hong Kong Tourism Board

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 1,498.2 | 1,493.2 | 1,493.2 (—) | 1,350.9 (–9.5%) |
| | | | | (or –9.5% on 2021–22 Original) |

Aim

24 The aim is to promote inbound tourism and maximise the socio-economic contribution that tourism makes to Hong Kong.

Brief Description

25 HKTb is a statutory body subvented by the Government. The objectives of HKTb are to:

- endeavour to increase the contribution of tourism to Hong Kong;
- promote Hong Kong globally as a leading international city in Asia and a world-class tourist destination;
- promote improvement of facilities for visitors;
- support the Government in promoting to the community the importance of tourism;
- support, as appropriate, the activities of persons and organisations providing services for visitors to Hong Kong; and
- make recommendations to and advise the Government on measures which may further any of the foregoing objectives.

26 Funds deployed by HKTb in promotional activities aim at growing high value visitors to Hong Kong and maximising their spending.

27 The effectiveness of the performance of HKTb cannot be assessed entirely in quantifiable terms. However, the statistics below help illustrate the overall position and forecasts of the Hong Kong tourism industry.

Indicators

| | 2020 (Actual) | 2021 (Revised Estimate)Δ | 2022 (Estimate)Δ |
|--|------------------|--------------------------------|---------------------|
| visitor arrivals (million) | 3.60 | 0.09 | 9.60 |
| increase on previous year (%)Ψ | – 93.6 | – 97.4 | +10 445.0 |
| tourism expenditure associated with inbound tourism (\$ billion)¶ | 15.8 | 2.5 | 60.8 |
| change over the previous year (%)Ψ | – 93.9 | – 84.4 | +2,368 |
| per capita expenditure of overnight visitor (\$)Ω | 5,426 | 22,127 | 8,613 |
| change over the previous year (%)Ψ | – 6.7 | +307.8 | – 61.1 |

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

| | 2020 (Actual) | 2021 (Revised Estimate)Δ | 2022 (Estimate)Δ |
|---|------------------|--------------------------------|---------------------|
| length of stay of overnight visitors (nights)β | 10.4 | 85.5 | 4.4 |
| satisfaction of overnight visitors (score out of 10)β | 8.8 | 8.7 | 8.7 |

- Δ The 2021 Revised Estimate and 2022 Estimate are subject to further revision in light of the uncertain development of COVID-19 pandemic, global and regional economic outlook, and policies related to travel resumption and anti-pandemic measures.
- Ψ The percentage change is based on the comparison of absolute figures before rounding up.
- ¶ This includes receipts of Hong Kong-based carriers for the cross-boundary transportation of non-resident visitors as estimated by the Census and Statistics Department. The expenditure was \$3.0 billion for 2020. The projections for 2021 and 2022 are \$0.1 billion and \$10.4 billion respectively.
- Ω The figure for 2020 is estimated based on HKTB's Departing Visitor Survey (DVS) conducted at major control points from 1 January to 4 February 2020 before the survey was suspended due to the suspension of passenger clearance services at various control points. The figure for 2021 is estimated based on HKTB's DVS conducted at selected control points from end September to end December 2021. Spending by servicemen, aircrew members and transit/transfer passengers is excluded.
- β Length of stay of overnight visitors is derived based on the visitor entry/exit statistics provided by the Immigration Department. Satisfaction score for 2020 is based on HKTB's DVS conducted at major control points from 1 January to 4 February 2020 and that for 2021 is estimated based on HKTB's DVS conducted at selected control points from end September to end December 2021. It is represented by a ten-point scale, in which "ten" (maximum score) means "very satisfied" and "one" means "very dissatisfied".

Matters Requiring Special Attention in 2022–23

28 During 2022–23, HKTB will:

- continue with the "Holiday at Home" campaign to encourage domestic consumption and support the tourism industry before resumption of cross boundary/border travel;
- continue to maintain Hong Kong's visibility and positivity in source markets, in preparation for relaunching and rebuilding Hong Kong as a leading international destination when markets reopen by:
 - developing immersive videos and content in diverse formats to promote normalcy and create excitements, and capitalising on digital and social media channels to expand the reach of promotions;
 - mobilising friends and fans of Hong Kong for global promotions by circulating positive word-of-mouth testimonials and personal stories;
 - partnering with global media channels to broadcast shows and programmes featuring Hong Kong to generate positive noise; and
 - launching "Open House Hong Kong" platform as markets reopen to promote tactical campaigns and exclusive experiences in source markets, according to the travel readiness of each market;
- rebuild Hong Kong's destination image in the Mainland and drive recovery by:
 - launching Quality Tourism Hospitality campaign in Hong Kong to promote and reinforce hospitality culture of the tourism and related sectors in welcoming back visitors;
 - drumming up marketing efforts in the Greater Bay Area first and gradually extending to other parts of the Mainland, to drive visits and visitor spending through consumer promotions, and trade and media partnerships; and
 - launching "Open House Hong Kong" campaign in the Mainland to convey Hong Kong's welcome, through a multi-pronged approach with activities to uphold Hong Kong's profile as a preferred destination and to create a desire to visit, and impactful conversion campaigns with attractive offers to drive visitor return when cross-boundary travel resumes;
- launch a global campaign of a new tourism brand by phases according to the travel readiness of each market;
- accelerate the development of smart tourism and enhance visitors' digital experience, including:
 - launching digital tools and solutions to enhance visitors' experience and support merchants under the Quality Tourism Service (QTS) Scheme to capture new business opportunities; and
 - defining an executable and long-term roadmap for a digitally enabled experience along the consumer journey;
- organise a series of events to celebrate the 25th Anniversary of the Establishment of the HKSAR and launch high-impact television broadcasts, social media campaigns and consumer programmes at source markets by partnering with ETOs;
- further develop and promote the Greater Bay Area tourism brand, showcasing Hong Kong as an international tourism hub and a core demonstration zone for multi-destination tourism, by:

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

- facilitating Greater Bay Area-themed mega events through expanding events from Hong Kong to cover other cities in the Greater Bay Area, and showcasing Hong Kong’s leading role in hosting international events;
 - establishing and building the Greater Bay Area as a brand destination in overseas markets, and highlighting Hong Kong as the region’s hub for business and leisure;
 - partnering with the travel trade in the Greater Bay Area to develop and promote multi-destination tourism products;
 - strengthening co-operation with the culture and tourism authorities in Guangdong, Macao, and other Greater Bay Area destinations to consolidate resources for overseas promotions; and
 - establishing Hong Kong as the Greater Bay Area’s international MICE hub;
 - continue to support the travel trade and related trades by:
 - supporting trade partners to take part in the Anti-Epidemic Hygiene Measures Certification Scheme which promotes a safe and hygienic travel experience for visitors; and
 - launching “Spend-to-redeem” programmes, and overseeing funding schemes that provide anti-epidemic support for the travel trade;
- and, upon reopening of markets:
- waiving the participation fee and subsidising airfares and hotel costs for members of the travel trade to attend HKTB-hosted trade shows, and providing marketing and promotion support;
 - continuing to participate in overseas trade shows and organise travel missions and familiarisation programmes for the travel trade to convey positive messages about Hong Kong from first-hand experience;
 - encouraging the travel trade to develop new tour products and stepping up consumer and trade promotions in source markets; and
 - further strengthening efforts to help the travel and related trades by matching fund support and formulating additional support measures as and when necessary;
- continue to adopt the ongoing strategies by:
 - promoting Hong Kong’s unique heritage and culture through the Hong Kong Neighbourhoods district programmes, and stepping up promotion of green, outdoor, and art and design experiences;
 - hosting mega events such as the Wine and Dine Festival and the Cyclothon while building in flexibility and scalability to comply with social distancing measures, and promoting international events and home-grown city events to strengthen Hong Kong’s image as a destination with diverse appeal;
 - staging “A Symphony of Lights” to showcase the night vista of Hong Kong;
 - driving the recovery of MICE industry by putting forward competitive bidding packages to retain and win large and medium-sized international MICE events, stepping up efforts to cultivate the growth of small-sized MICE groups, engaging leaders of professional and business communities, associations, and academic institutions to be MICE ambassadors to help attract high-profile MICE events, and working towards an extended period of partnership for such events;
 - reinforcing Hong Kong’s position as a leading cruise hub in the region through supporting cruise lines to promote domestic cruises, and upon reopening of markets, working on consumer demand generation campaigns at source markets, launching promotion and forging partnerships in the Greater Bay Area, maintaining Hong Kong’s exposure in the international and regional cruise industry, and supporting cruise lines for retaining and cultivating future deployment; and
 - continuing to promote QTS to raise visitor awareness and uphold service quality.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Programme (8): Public Safety

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|----------------------------------|
| Financial provision (\$m) | 0.5 | 0.5 | 0.5 (—) | 0.5 (—) |
| | | | | (or same as 2021–22 Original) |

Aim

29 The aim is to provide high standards of weather information services for the public and specialised users such as the aviation and shipping community.

Brief Description

30 The Branch's main responsibility under this programme is to formulate policies in relation to weather services.

31 During 2021–22, the Branch continued to oversee the provision of weather information services by the Hong Kong Observatory (HKO) to the general public and other specialised users, including the enhancement of weather information services for ethnic minorities and high-impact weather forecasting services, as well as HKO's progress in replacing or upgrading meteorological equipment and facilities to meet the latest operational needs in weather monitoring and forecasting.

Matters Requiring Special Attention in 2022–23

32 During 2022–23, the Branch will continue to oversee the provision of weather information services by HKO, including launch of the next generation weather mobile application for flight crews with enhanced inflight weather information, and HKO's progress in replacing or upgrading meteorological equipment and facilities to meet the latest operational needs in monitoring and forecasting weather.

Programme (9): Subvention: Competition Commission

| | 2020–21 (Actual) | 2021–22 (Original) | 2021–22 (Revised) | 2022–23 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|------------------------------------|
| Financial provision (\$m) | 143.1 | 138.4 | 123.4 (–10.8%) | 158.9 (+28.8%) |
| | | | | (or +14.8% on 2021–22 Original) |

Aim

33 The aim is to help the Commission to implement the CO.

Brief Description

34 The Commission is an independent statutory body established under the CO in 2013. The Commission's statutory functions are to:

- investigate conduct that may contravene the competition rules and enforce the provisions of the CO;
- promote public understanding of the value of competition and how the CO promotes competition;
- promote the adoption by undertakings carrying on business in Hong Kong of appropriate internal controls and risk management systems, to ensure their compliance with the CO;
- advise the Government on competition matters in Hong Kong and outside Hong Kong;
- conduct market studies into matters affecting competition in markets in Hong Kong; and
- promote research into and the development of skills in relation to the legal, economic and policy aspects of competition law in Hong Kong.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

35 The key performance measures are:

Targets

| | Target | 2020 (Actual) | 2021 (Actual) | 2022 (Plan) |
|--|--------|------------------|------------------|----------------|
| handling enquiries and complaints | | | | |
| acknowledge enquiries or complaints within two working days of receipt (%) | 95 | 100 | 100 | 95 |
| reply to enquiries or complaints on the result or progress within 28 working days of receipt (%) | 95 | 99 | 100 | 95 |
| handling applications for Decisions and Block Exemption Orders | | | | |
| acknowledge applications within two working days of receipt (%) | 95 | N.A. | N.A. | 95 |
| respond to requests for fee waiver or reduction within seven working days of receipt (%)..... | 95 | N.A. | N.A. | 95 |
| handling requests for seminars and presentations | | | | |
| acknowledge requests within two working days of receipt (%) | 95 | 99 | 99 | 95 |
| respond to requests within ten working days of receipt (%) | 95 | 99 | 99 | 95 |

Indicators

| | 2020 (Actual) | 2021 (Actual) | 2022 (Estimate) |
|--|------------------|------------------|--------------------|
| enforcement | | | |
| enquiries received◇ | 295 | 308 | 350 |
| complaints received◇..... | 325 | 256 | 300 |
| initial assessments commenced@..... | 9 | 19 | —^ |
| cases escalated to in-depth investigationΔ | 1 | 4 | —^ |
| cases brought to the Competition Tribunal..... | 3 | 2 | —^ |
| cases resolved by Commitments, issuing of Infringement Notices and Warning Notices#..... | 3 | 1 | —^ |
| applications for Decisions and Block Exemption Orders received..... | 0 | 0 | —^ |
| major market study launched | 0 | 0 | 1 |
| publicity and advocacy | | | |
| major publicity or education campaigns launched..... | 2 | 1 | 2 |
| events, seminars, conferences and exhibitions conducted..... | 46 | 56 | 40v |
| major international events, seminars and conferences participated in | 7 | 8 | 8 |
| newsletters published | 3 | 3 | 3 |
| outreach on online platformsβ..... | N.A. | 175 | 165 |

◇ New indicator as from 2022 to provide a breakdown of the previous indicator “enquiries or complaints received”.

@ The Commission considers all complaints it receives and escalates those that merit further assessment into the Initial Assessment phase. Enquiries which present merit for further assessment will also be escalated into the Initial Assessment phase. Pursuant to the CO, the Commission does not investigate complaints that are misconceived, lacking in substance, trivial, frivolous or vexatious.

^ Not possible to estimate.

Δ Where following initial assessment the Commission has reasonable cause to suspect a contravention of a competition rule under the CO, the Commission will commence an in-depth investigation.

New indicator as from 2021 to provide additional information on the Commission’s enforcement efforts by non-litigation means.

v The drop is due to more businesses getting familiarised with the CO, in addition to the COVID-19 pandemic.

β New indicator as from 2021 to provide additional information on the Commission’s outreach to the public via online platforms.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Matters Requiring Special Attention in 2022–23

36 During 2022–23, the Commission will:

- continue to handle complaints of and conduct investigations into cases alleging to contravene a competition rule and to escalate suitable cases to in-depth investigation;
- continue the in-depth investigation with the aim to settling suitable cases by issuing commitments, infringement notices or warning notices, or bringing cases to the Competition Tribunal;
- continue the litigation processes for cases already brought to the Competition Tribunal;
- continue to promote understanding and compliance of the CO by businesses and the public through campaigns, education programmes, outreach activities, publications, seminars, presentations and online platforms;
- continue to consider applications for Decisions whether or not an agreement or conduct is excluded or exempt from the First or Second Conduct Rules and for Block Exemption Orders; and
- continue to advise the Government and public bodies on competition matters.

**Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC
DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)**

ANALYSIS OF FINANCIAL PROVISION

| Programme | 2020–21 (Actual) (\$m) | 2021–22 (Original) (\$m) | 2021–22 (Revised) (\$m) | 2022–23 (Estimate) (\$m) |
|--|---------------------------------------|---|--|---|
| (1) Director of Bureau's Office | 13.5 | 13.8 | 13.8 | 14.2 |
| (2) Commerce and Industry..... | 4,011.4 | 6,225.9 | 6,152.1 | 770.0 |
| (3) Subvention: Hong Kong Trade Development Council | 624.2 | 634.1 | 638.1 | 600.2 |
| (4) Posts, Competition Policy and Consumer Protection | 10.7 | 10.2 | 10.2 | 10.2 |
| (5) Subvention: Consumer Council..... | 146.5 | 138.6 | 141.7 | 140.7 |
| (6) Travel and Tourism..... | 4,740.0 | 1,408.5 | 1,816.4 | 1,541.8 |
| (7) Subvention: Hong Kong Tourism Board..... | 1,498.2 | 1,493.2 | 1,493.2 | 1,350.9 |
| (8) Public Safety..... | 0.5 | 0.5 | 0.5 | 0.5 |
| (9) Subvention: Competition Commission.. | 143.1 | 138.4 | 123.4 | 158.9 |
| | 11,188.1 | 10,063.2 | 10,389.4 (+3.2%) | 4,587.4 (–55.8%) |
| | | | | (or –54.4% on 2021–22 Original) |

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2022–23 is \$0.4 million (2.9%) higher than the revised estimate for 2021–22. This is mainly due to the increased provision for salary expenses.

Programme (2)

Provision for 2022–23 is \$5,382.1 million (87.5%) lower than the revised estimate for 2021–22. This is mainly due to the decreased cash flow requirement for the SFGS.

Programme (3)

Provision for 2022–23 is \$37.9 million (5.9%) lower than the revised estimate for 2021–22. This is mainly due to the lapse of one-off additional subvention. The actual amount of annual subvention to HKTDC is determined having regard to a number of factors, including the Government's financial position and HKTDC's funding requirements.

Programme (4)

Provision for 2022–23 is the same as the revised estimate for 2021–22.

Programme (5)

Provision for 2022–23 is \$1.0 million (0.7%) lower than the revised estimate for 2021–22. This is mainly due to the decreased cash flow requirement for carrying out various IT improvement projects.

Programme (6)

Provision for 2022–23 is \$274.6 million (15.1%) lower than the revised estimate for 2021–22. This is mainly due to the decreased cash flow requirement for the non-recurrent funding support to the OPC. In addition, there will be a net decrease of two posts in 2022–23.

Programme (7)

Provision for 2022–23 is \$142.3 million (9.5%) lower than the revised estimate for 2021–22. This is mainly due to the lapse of additional provision for tourism initiatives.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Programme (8)

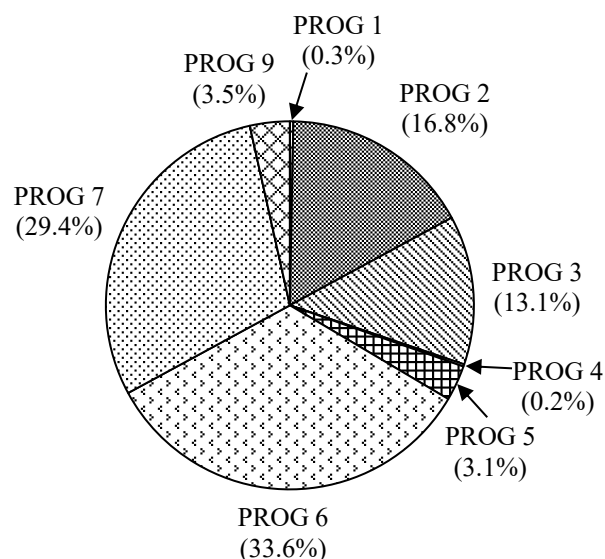
Provision for 2022–23 is the same as the revised estimate for 2021–22.

Programme (9)

Provision for 2022–23 is \$35.5 million (28.8%) higher than the revised estimate for 2021–22. This is due to the increased provision to support the litigation work of the Competition Commission.

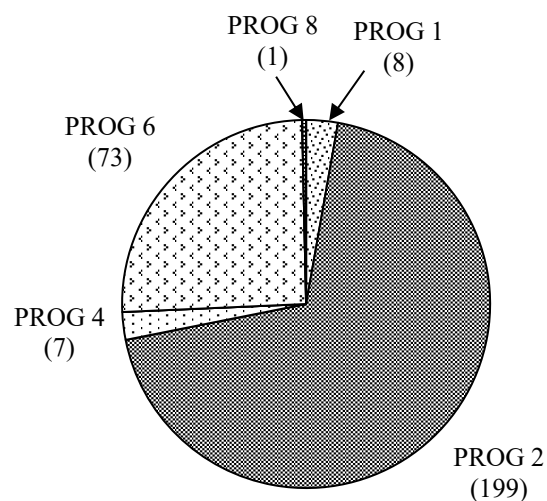
Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Allocation of provision to programmes (2022-23)



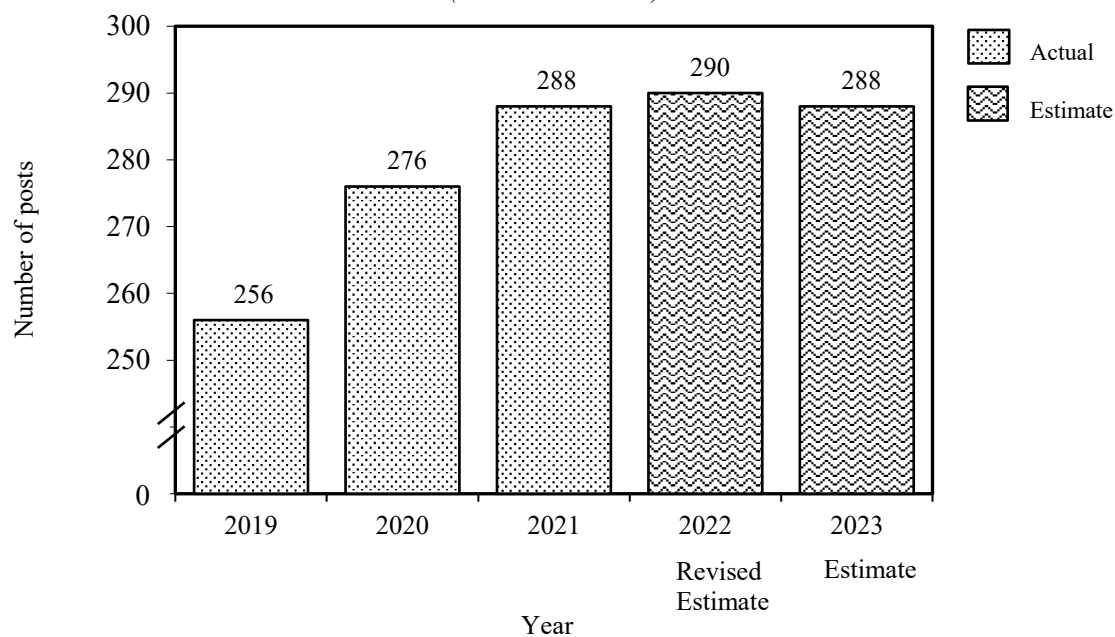
(Provision for PROG 8 represents 0.01 per cent of the overall provision. The percentage is not shown here due to rounding.)

Staff by programme (as at 31 March 2023)



(No government staff under PROG 3, 5, 7 & 9)

Changes in the size of the establishment (as at 31 March)



**Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC
DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)**

| Sub-head (Code) | | Actual expenditure 2020–21 | Approved estimate 2021–22 | Revised estimate 2021–22 | Estimate 2022–23 |
|----------------------------|---|----------------------------------|---------------------------------|--------------------------------|---------------------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating Account | | | | | |
| Recurrent | | | | | |
| 000 | Operational expenses | 3,087,396 | 2,989,655 | 2,983,041 | 3,192,519 |
| | Total, Recurrent | 3,087,396 | 2,989,655 | 2,983,041 | 3,192,519 |
| Non-Recurrent | | | | | |
| 700 | General non-recurrent | 8,089,711 | 6,961,910 | 7,294,721 | 1,270,014 |
| | Total, Non-Recurrent | 8,089,711 | 6,961,910 | 7,294,721 | 1,270,014 |
| | Total, Operating Account | 11,177,107 | 9,951,565 | 10,277,762 | 4,462,533 |
| Capital Account | | | | | |
| Plant, Equipment and Works | | | | | |
| 605 | Minor capital works (block vote) | — | 5,900 | 5,900 | 8,820 |
| 661 | Minor plant, vehicles and equipment (block vote) | — | — | — | 4,750 |
| | Total, Plant, Equipment and Works | — | 5,900 | 5,900 | 13,570 |
| Subventions | | | | | |
| 85G | Hong Kong Trade Development Council | — | 101,000 | 101,000 | 100,000 |
| 955 | Consumer Council | — | — | — | 7,440 |
| 970 | Consumer Council (block vote) | 5,978 | 4,709 | 4,709 | 3,833 |
| | Hong Kong Tourism Board (block vote) | 5,000 | — | — | — |
| | Total, Subventions | 10,978 | 105,709 | 105,709 | 111,273 |
| | Total, Capital Account | 10,978 | 111,609 | 111,609 | 124,843 |
| | Total Expenditure | 11,188,085 | 10,063,174 | 10,389,371 | 4,587,376 |

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Details of Expenditure by Subhead

The estimate of the amount required in 2022–23 for the salaries and expenses of the Commerce, Industry and Tourism Branch is \$4,587,376,000. This represents a decrease of \$5,801,995,000 against the revised estimate for 2021–22 and \$6,600,709,000 against the actual expenditure in 2020–21.

Operating Account

Recurrent

2 Provision of \$3,192,519,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Commerce, Industry and Tourism Branch.

3 The establishment as at 31 March 2022 will be 290 posts including three supernumerary posts. It is expected that there will be a net decrease of two posts in 2022–23. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2022–23, but the notional annual mid-point salary value of all such posts must not exceed \$197,276,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

| | 2020–21 (Actual) (\$'000) | 2021–22 (Original) (\$'000) | 2021–22 (Revised) (\$'000) | 2022–23 (Estimate) (\$'000) |
|---|---------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| Personal Emoluments | | | | |
| - Salaries | 232,833 | 263,210 | 237,684 | 252,643 |
| - Allowances | 8,608 | 8,089 | 10,086 | 10,315 |
| - Job-related allowances..... | 2 | 4 | 5 | 4 |
| Personnel Related Expenses | | | | |
| - Mandatory Provident Fund contribution | 394 | 294 | 483 | 384 |
| - Civil Service Provident Fund contribution | 13,980 | 17,596 | 15,856 | 16,781 |
| - Disturbance allowance..... | 194 | — | — | — |
| Departmental Expenses | | | | |
| - General departmental expenses | 408,159 | 369,042 | 383,336 | 763,776 |
| Other Charges | | | | |
| - Subscription to the World Trade Organization | 44,832 | 49,364 | 46,487 | 46,692 |
| Subventions | | | | |
| - Consumer Council | 140,454 | 133,919 | 136,967 | 129,356 |
| - Hong Kong Tourism Board | 1,493,223 | 1,493,223 | 1,493,223 | 1,350,941 |
| - Hong Kong Trade Development Council | 624,221 | 533,133 | 537,133 | 500,242 |
| - Competition Commission | 120,496 | 121,781 | 121,781 | 121,385 |
| | 3,087,396 | 2,989,655 | 2,983,041 | 3,192,519 |

Capital Account

Plant, Equipment and Works

5 Provision of \$8,820,000 under *Subhead 605 Minor capital works (block vote)* is for minor capital works with the cost of individual projects above \$200,000 but not exceeding \$10 million. The increase of \$2,920,000 (49.5%) over the revised estimate for 2021–22 is mainly due to the increased cash flow requirement for the face-lifting works at Yim Tin Tsai Pier, partly offset by the decreased cash flow requirement for the face-lifting works at Ma Liu Shui Ferry Pier.

6 Provision of \$4,750,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* is for the procurement of plant, vehicles and equipment with the cost of individual items above \$200,000 but not exceeding \$10 million. The provision is for the refurbishment of emergency lighting system at Kai Tak Cruise Terminal.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)

Subventions

7 Provision of \$100 million under *Subhead 85G Hong Kong Trade Development Council* for 2022–23 is for the development of virtual event platform, virtual business matching platform and related development/enhancement of related in-house systems.

8 Provision of \$7,440,000 under *Subhead 955 Consumer Council* is for the revamp of the Complaint Case Management System of the Consumer Council.

9 Provision of \$3,833,000 under *Subhead 970 Consumer Council (block vote)* is for the procurement of plant, vehicles and equipment each costing above \$200,000 but not exceeding \$10 million. The decrease of \$876,000 (18.6%) against the revised estimate for 2021–22 is mainly due to the decreased cash flow requirement for the implementation of information technology projects for the Consumer Council.

**Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC
DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)**

Commitments

| Sub-head (Code) | Item (Code) | Ambit | Approved commitment | Accumulated expenditure to 31.3.2021 | Revised estimated expenditure for 2021–22 | Balance |
|--------------------------|----------------|--|------------------------|--|--|--------------------|
| | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating Account | | | | | | |
| 700 | | <i>General non-recurrent</i> | | | | |
| | 801 | Professional Services Advancement Support Scheme | 200,000 | 39,196 | 12,000 | 148,804 |
| | 804 | Funding for Competition Commission's litigation work..... | 238,346 | 55,360 | 1,630 | 181,356 |
| | 808 | Funding Support to the Ocean Park Corporation | 5,425,638 | 4,322,016 | 427,877 | 675,745 |
| | 809 | Upgrading of Facilities of the Hong Kong Wetland Park..... | 135,000 | — | 10,008 | 124,992 |
| | 811 | Non-recurrent Funding for the Ocean Park Corporation..... | 1,664,000 | — | 956,000 | 708,000 |
| | 833 | SME Financing Guarantee Scheme – Guarantee Products# | 280,000,000# | 4,413,000 | 5,887,100 | 269,699,900 |
| | | | <u>287,662,984</u> | <u>8,829,572</u> | <u>7,294,615</u> | <u>271,538,797</u> |
| Capital Account | | | | | | |
| 85G | | <i>Hong Kong Trade Development Council</i> | | | | |
| | 810 | Development of virtual event platform, virtual business matching platform and related development/enhancement of related in-house systems..... | 301,000 | — | 101,000 | 200,000 |
| | | | <u>301,000</u> | <u>—</u> | <u>101,000</u> | <u>200,000</u> |
| 955 | | <i>Consumer Council</i> | | | | |
| | 813 | Revamp of the Complaint Case Management System of the Consumer Council§ | 24,335§ | — | — | 24,335 |
| | | | <u>24,335</u> | <u>—</u> | <u>—</u> | <u>24,335</u> |
| | Total | | <u>287,988,319</u> | <u>8,829,572</u> | <u>7,395,615</u> | <u>271,763,132</u> |

The approved commitment for the item was \$218 billion. An increase in commitment of \$62 billion is sought in the context of the Appropriation Bill 2022. This will result in an increase in the expected maximum expenditure by \$19 billion.

§ This is a new item, funding for which is sought in the context of the Appropriation Bill 2022.