

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

Controlling officer: the Permanent Secretary for Commerce and Economic Development will account for expenditure under this Head.

Estimate 2023–24 **\$1,881.0m**

Establishment ceiling 2023–24 (notional annual mid-point salary value) representing an estimated 204 non-directorate posts as at 31 March 2023 reducing by two posts to 202 posts as at 31 March 2024..... **\$152.3m**

In addition, there will be an estimated 20 directorate posts as at 31 March 2023 reducing by one post to 19 posts as at 31 March 2024.

Commitment balance..... **\$2,235.4m**

Controlling Officer's Report

Programmes

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	This programme contributes to Policy Area 6: Commerce and Industry (Secretary for Commerce and Economic Development).
Programme (3) Telecommunications Programme (4) Broadcasting	These programmes contribute to Policy Area 17: Information Technology and Broadcasting (Secretary for Commerce and Economic Development).
Programme (5) Posts, Competition Policy and Consumer Protection	This programme contributes to Policy Area 4: Posts, Competition Policy and Consumer Protection (Secretary for Commerce and Economic Development).
Programme (6) Subvention: Hong Kong Trade Development Council	This programme contributes to Policy Area 6: Commerce and Industry (Secretary for Commerce and Economic Development).
Programme (7) Subvention: Consumer Council	These programmes contribute to Policy Area 4: Posts, Competition Policy and Consumer Protection (Secretary for Commerce and Economic Development).
Programme (8) Subvention: Competition Commission	

Detail

Programme (1): Director of Bureau's Office

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	13.8	14.2	15.2 (+7.0%)	16.1 (+5.9%)
				(or +13.4% on 2022–23 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.

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Programme (2): Commerce and Industry

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	6,138.2	770.0	289.0 (–62.5%)	567.3 (+96.3%)
				(or –26.3% on 2022–23 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 Bureau 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 Bureau's main responsibilities under this programme are to:

- formulate policies on promotion of trade in goods and services;
- formulate policies to attract more external direct investment into Hong Kong;
- institute measures and arrangements to facilitate international trade and gain market access for Hong Kong's goods, services and investment, including through forging free trade agreements (FTAs) and investment promotion and protection agreements (IPPAs);
- oversee the policy work related to the overseas Economic and Trade Offices (ETOs), including enhancing their functions and expanding the ETO network;
- enhance economic co-operation with trading partners and foster friendship and understanding between the business communities of Hong Kong and our major markets;
- 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;
- provide support to local businesses in developing overseas and Mainland domestic sales markets;
- formulate policies to support SMEs;
- 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;
- 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; and
- support the further development of wine-related businesses in Hong Kong.

6 During 2022–23, the Bureau:

- 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 in external promotion work to enhance Hong Kong's international image as the best place to do business and the premier destination for investment;
- assisted in establishing the Office for Attracting Strategic Enterprises (OASES) led by the Financial Secretary (FS) and setting up the Advisory Committee on Attracting Strategic Enterprises chaired by FS;

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- continued with the policy work related to overseas ETOs, including setting up the Dedicated Teams for Attracting Businesses and Talents in overseas ETOs in support of the OASES and the Talents Service Unit led by the Labour and Welfare Bureau;
- oversaw the work of Invest Hong Kong in stepping up efforts to attract more overseas and Mainland enterprises to set up and expand their businesses in Hong Kong;
- continued to closely monitor the bilateral trade relations between Mainland China and the United States (US) as well as trade actions of the 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;
- oversaw participation in the work of the WTO, including attendance at the Twelfth WTO Ministerial Conference (MC12) held in June 2022, safeguarding Hong Kong's rights through contributing to the ongoing negotiations and discussions at the WTO, and 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, as well as sustainability in the region and implementing the APEC Putrajaya Vision 2040, including through the Aotearoa Plan of Action;
- oversaw commencement of the FTA negotiation with Peru, engagement with members of the Regional Comprehensive Economic Partnership (RCEP) for Hong Kong's early accession, and the IPPA negotiations/signing with, among others, Türkiye and Bahrain;
- oversaw the organisation of a series of events to celebrate the 25th Anniversary of the Establishment of the Hong Kong Special Administrative Region by the departments, overseas ETOs and agencies under the Bureau's purview;
- 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 all economies with which Hong Kong has signed FTAs and/or IPPAs;
- worked with TID in enhancing the SME Export Marketing Fund (EMF), including increasing the cumulative funding ceiling per enterprise, and extending the special measure to expand the funding scope of the EMF to 30 June 2026 to continue to cover exhibitions and online exhibitions targeting the local market, and to relax the eligibility criteria to cover non-SMEs;
- worked with HKMC Insurance Limited, the administrator of the SME Financing Guarantee Scheme (SFGS) to enhance the SFGS, including increasing the Government's loan guarantee commitment, extending the application period and principal moratorium of all guarantee products; and raising the maximum loan amount per enterprise and extending the maximum repayment period in respect of the Special 100% Guarantee Product;
- 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 2023 and enhancing 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;
- 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 implementing the 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;
- pursued actively the Belt and Road Initiative by enhancing government to government relations with related economies, e.g. organising a webinar with the Government of the United Arab Emirates (UAE) in May 2022; promoting business opportunities in overseas Economic and Trade Co-operation Zones, including organising an online focus networking session and a business seminar in June and November 2022 respectively; co-organising the seventh Belt and Road Summit with the Hong Kong Trade Development Council (HKTDC) on 31 August and 1 September 2022; furthering policy co-ordination with the Central Authorities through the fifth Joint Conference on Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative (Joint Conference) held in September 2022; and organising a business and professional mission to Saudi Arabia and the UAE in February 2023 to explore opportunities in Belt and Road related countries and regions;
- 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;

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- collaborated with the Mainland authorities and HKTDC to help Hong Kong enterprises develop the Mainland domestic sales market, including through the one-stop “GoGBA” digital platform, the “HKTDC GBA Centre” in Shenzhen and the “GoGBA Business Support Centres” in various Greater Bay Area cities;
- co-ordinated through HKTDC the participation of the Hong Kong enterprises in the fifth 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 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 (OGP) system;
- 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 completing the set up of the required information technology (IT) system;
- introduced and secured passage of the Copyright (Amendment) Bill 2022 to update Hong Kong’s copyright regime and 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 work 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 take forward the development of TSW, including developing the Phase 2 IT system in full steam; and inviting tender for the development of the Phase 3 IT system after obtaining funding approval from the Finance Committee of the Legislative Council;
- continued to monitor the operation of the Government Electronic Trading Services (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;
- 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 2023–24

7 In 2023–24, the Bureau will:

- 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;
- continue to collaborate with various departments, agencies and stakeholders in external promotion work to bolster Hong Kong’s international image through the network of overseas ETOs;
- continue to strengthen policy work related to overseas 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, including seeking early accession to RCEP;
- continue to oversee discussions or negotiations with trading partners on enhancement of economic co-operation, including FTA negotiations with Peru and IPPA negotiations/signing with, among others, Türkiye and Bahrain;
- 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 developments 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;

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- continue to oversee participation in the work of the WTO, including preparation for the acceptance of the Agreement on Fisheries Subsidies adopted at MC12, preparation for Hong Kong's participation at the Thirteenth WTO Ministerial Conference, safeguarding Hong Kong's rights through contributing to the ongoing negotiations and discussions at the WTO, and 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 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, overseas and local markets, and in conducting promotion activities including through digital means such as online exhibitions and online business missions;
- continue to work with HKMC Insurance Limited to implement the SFGS;
- continue to work with HKECIC to enhance export credit insurance coverage for exporters through various support measures;
- continue to implement PASS to provide funding support for non-profit-making projects undertaken by non-profit distributing organisations, including implementing the PSP to subsidise major professional bodies to participate in relevant activities;
- continue to proactively consolidate Hong Kong's unique advantages and positioning as the functional platform for the Belt and Road Initiative; reinforcing co-operation with relevant Mainland authorities and maintaining ties with other stakeholders and governments along the Belt and Road, including convening the sixth Joint Conference with the Central Authorities; organising government level seminars and webinars, co-organising with HKTDC the eighth Belt and Road Summit; organising a series of exchange sessions, seminars and project matching meetings for enterprises and the professional services sector; and organising mission trips for identifying business opportunities in Belt and Road related countries and regions;
- step up promotional and publicity efforts in publicising Hong Kong's role and achievements in the Belt and Road Initiative with a view to enhancing the community's understanding and support;
- 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 and Hainan;
- continue to collaborate with the Mainland authorities and HKTDC to help Hong Kong enterprises promote their products and services to the Mainland market, including through the further expansion of the "GoGBA Business Support Centre" network to cover all nine Mainland cities of the Greater Bay Area;
- continue to co-ordinate Hong Kong's participation in CIIE;
- 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 OGP system and enhancement of the substantive examination capability of patent examiners under the system;
- continue to oversee efforts to promote awareness of and respect for IP rights in the community and the business sector;
- table the relevant subsidiary legislation in the Legislative Council, with a view to implementing the international trade mark registration system under the Madrid Protocol in Hong Kong as soon as possible;
- bring the Copyright (Amendment) Ordinance 2022 into operation and embark on a new round of copyright review;
- make the necessary preparation with a view to launching a review of the 25-year old registered designs regime in 2024;
- 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 support the convention and exhibition industry through the Convention and Exhibition Industry Subsidy Scheme and the Incentive Scheme for Recurrent Exhibitions;
- continue to take forward the development of TSW under Phases 2 and 3, by starting to roll out Phase 2 in batches from mid-2023, and engaging a contractor for the development of the Phase 3 IT system;
- continue to monitor the operation of GETS;

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- 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; and
- continue to support the further development of wine-related businesses in Hong Kong.

Programme (3): Telecommunications

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)#	111.7	468.4	317.0 (–32.3%)	334.2 (+5.4%)
				(or –28.7% on 2022–23 Original)

For comparison purpose, the figures include relevant provisions for telecommunications which have been transferred from the former Head 55 — Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch) due to the re-organisation of the Government Secretariat with effect from 1 July 2022.

Aim

8 The aim is to facilitate the development of the telecommunications industry and enhance Hong Kong's position as a telecommunication hub.

Brief Description

9 The Bureau's main responsibility under this programme is to formulate telecommunications policies and programmes to facilitate effective competition, enhance consumer choice and promote investments in the development of a competitive, advanced and high bandwidth infrastructure accessible by the consumers through wireline or wireless means. This will enhance Hong Kong's position as a world-class telecommunications centre.

10 During 2022–23, the Bureau:

- worked with the Communications Authority (CA) to review and release radio spectrum in various frequency bands for the provision of public mobile services including the fifth generation mobile (5G) services;
- worked with the CA to facilitate wider deployment of frequency spectrum in the 3.5 GHz band for the provision of 5G services;
- worked with the CA to conduct public consultation on the arrangements for re-assignment of 20 MHz of frequency spectrum in the 850/900 MHz and 90 MHz of frequency spectrum in the 2.3 GHz bands and related spectrum utilisation fee upon the expiry of the existing assignments in 2026 and 2027 respectively;
- worked with the Office of the Communications Authority (OFCA) to facilitate mobile network operators' applications for installation of radio base stations in suitable government premises and public facilities with a view to supporting the rollout of 5G infrastructure;
- worked with OFCA and relevant departments to consider amendments to the Telecommunications Ordinance (Cap. 106) and relevant guidelines to ensure that appropriate space is made available in new buildings for installation of mobile communications facilities by telecommunications operators, with a view to enhancing coverage of 5G networks in preparation for future development of more advanced mobile communications technology;
- worked with OFCA to implement a subsidy scheme to encourage the extension of optical fibre networks to villages in rural and remote areas so as to further enhance the higher speed fixed broadband network coverage;
- worked with OFCA to release suitable land lots in Chung Hom Kok Teleport for external telecommunications infrastructure, with a view to further enhancing the overall capacity, diversity and resilience of Hong Kong's external telecommunications network infrastructure;
- monitored the effectiveness of measures for safeguarding consumers' interests;
- monitored the implementation and effectiveness of the legislation in facilitating market competition and the fair trading practices of telecommunications and broadcasting licensees;
- commenced the provisions in the Telecommunications (Amendment) Ordinance 2021 (TAO) and worked with OFCA to implement the new measures adopted under the TAO;

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- oversaw the implementation of the Real-name Registration Programme for Subscriber Identification Module (SIM) Cards and launched assistance and publicity measures; and
- worked with OFCA to combat scam calls and messages jointly with law enforcement agencies through a multi-pronged approach so as to safeguard the integrity of telecommunications services and the security of communications networks.

Matters Requiring Special Attention in 2023-24

11 During 2023–24, the Bureau will continue to:

- work with the CA to implement the assignment of radio spectrum and to facilitate wider deployment of frequency spectrum in the 3.5 GHz band for the provision of 5G services;
- work with the CA to decide the arrangements for re-assignment of 20 MHz of frequency spectrum in the 850/900 MHz band and 90 MHz of frequency spectrum in the 2.3 GHz band and related spectrum utilisation fee upon the expiry of the existing assignments in 2026 and 2027 respectively;
- work with OFCA to facilitate mobile network operators' applications for installation of radio base stations in suitable government premises and public facilities with a view to supporting the extension of 5G infrastructure;
- work with OFCA and relevant departments to amend the Telecommunications Ordinance and relevant guidelines to ensure that appropriate space is made available in new buildings for installation of mobile communications facilities by telecommunications operators, with a view to enhancing coverage of 5G networks in preparation for future development of more advanced mobile communications technology;
- work with OFCA to implement a subsidy scheme to encourage the extension of optical fibre networks to villages in rural and remote areas so as to further enhance the higher speed fixed broadband network coverage;
- work with OFCA to supply suitable land lots in Chung Hom Kok Teleport for external telecommunications infrastructure, with a view to further enhancing the overall capacity, diversity and resilience of Hong Kong's external telecommunications network infrastructure;
- monitor the effectiveness of measures for safeguarding consumers' interests;
- monitor the implementation and effectiveness of the legislation in facilitating market competition and the fair trading practices of the telecommunications and broadcasting licensees;
- monitor the implementation of the Real-name Registration Programme for SIM Cards; and
- work with OFCA to combat scam calls and messages jointly with law enforcement agencies through a multi-pronged approach so as to safeguard the integrity of telecommunications services and the security of communications networks.

Programme (4): Broadcasting

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)#	25.8	13.8	41.1 (+197.8%)	17.4 (–57.7%)
				(or +26.1% on 2022–23 Original)

For comparison purpose, the figures include relevant provisions for broadcasting which have been transferred from the former Head 55 — Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch) due to the re-organisation of the Government Secretariat with effect from 1 July 2022.

Aim

12 The aim is to promote the development of broadcasting and enhance Hong Kong's position as a broadcasting capital.

Brief Description

13 The Bureau's main responsibilities under this programme are to formulate policies on broadcasting, control of obscene and indecent articles, and film censorship; and to promote the development of the broadcasting industry.

14 The key performance is measured by the extent to which the policy objectives have been achieved and the progress made in implementing the various policy commitments. It is also reflected by the extent to which the executive departments have accomplished their programmes efficiently and cost-effectively.

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15 During 2022–23, the Bureau:

- assisted in the licensing and regulatory matters in relation to the domestic free television programme services, domestic pay television programme services and sound broadcasting services; and
- continued to oversee Radio Television Hong Kong (RTHK) in fulfilling its mission as a public service broadcaster.

Matters Requiring Special Attention in 2023–24

16 During 2023–24, the Bureau will continue to:

- assist in the licensing and regulatory matters in relation to domestic free television programme services, domestic pay television programme services and sound broadcasting services; and
- oversee RTHK in fulfilling its mission as a public service broadcaster.

Programme (5): Posts, Competition Policy and Consumer Protection

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	10.3	10.2	10.2 (—)	10.2 (—)
				(or same as 2022–23 Original)

Aim

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

Brief Description

18 The Bureau'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.

19 During 2022–23, the Bureau:

- monitored the implementation of the Competition Ordinance (Cap. 619) (CO);
- published the annual report of the Competition Policy Advisory Group (COMPAG) for the year 2021 on the COMPAG website, and continued to co-ordinate the work of government bureaux and departments in promoting competition;
- monitored the implementation of the 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; and
- monitored the projects to re-provision the HKP's Headquarters and redevelop the Air Mail Centre (AMC).

Matters Requiring Special Attention in 2023–24

20 During 2023–24, the Bureau 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, having regard to the prevailing economic situation and consumption sentiment;
- monitor the implementation of the 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 projects to re-provision the HKP's Headquarters and redevelop the AMC.

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Programme (6): Subvention: Hong Kong Trade Development Council

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	638.1	600.2	600.2 (—)	640.2 (+6.7%)
				(or +6.7% on 2022–23 Original)

Aim

21 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

22 Established in 1966, HKTDC is a statutory body to promote Hong Kong's external trade in goods and services, and to promote the city's role as an international business hub. 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 and a facilitation hub for the Association of Southeast Asian Nations (ASEAN) and RCEP;
- organises international trade fairs and industry conferences, international trade promotion events and business missions to help Hong Kong companies seize opportunities in the Mainland and around the world, as well as operates a virtual event platform and a sourcing platform to complement its physical events;
- provides market information through hktdc.com, research reports and its research portal, and a market intelligence website “Hong Kong Means Business”;
- runs support programmes to help start-ups and SMEs enhance their capabilities and market expansion; 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 47 Hong Kong business associations in 36 countries and regions.

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

Indicators

	2021 (Actual)	2022 (Actual)	2023 (Estimate)
trade and services promotion			
events	652	698	704
companies participating	54 009	53 065	59 240
local fairs			
no. of Mainland and overseas buyers	211 214	291 386	304 600
no. of fairs	30	31	35
business-matching enquiries worldwide			
no. of business enquiries handled	3 350 074	3 468 248	3 490 000
no. of business connections made	19 984 903	20 251 895	21 000 000
trade publications ^δ			
worldwide circulation (million)	0.1	—	—
no. of issues	12	—	—
trade portal (hktdc.com) ^δ			
no. of new registered users	90 534	113 692	115 000
no. of visits to online sourcing platform	12 235 285	12 893 611	13 300 000
no. of advertisers	18 309	18 081	20 500

δ The two indicators under “trade publications” are replaced by “no. of new registered users” and “no. of visits to online sourcing platform” under the “trade portal (hktdc.com)” from 2022 onwards.

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Matters Requiring Special Attention in 2023–24

24 In 2023–24, HKTDC will:

- step up efforts and support to help Hong Kong SMEs and start-ups ride out the post-pandemic challenges and adapt to the new normal;
- 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 further supporting Hong Kong businesses, professional services sector and start-ups operating in the Mainland to tap into the opportunities of the Mainland market through the Support Scheme for Pursuing Development in the Mainland;
- position Hong Kong as the ideal two-way business hub for the Greater Bay Area, ASEAN and the wider RCEP with the rest of the world;
- promote Hong Kong as a multifaceted investment, trade, innovation and cultural hub to the international audience; and
- support Hong Kong companies to fully leverage HKTDC's new online and physical hybrid platform for business matching and networking.

Programme (7): Subvention: Consumer Council

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	141.7	140.7	142.2 (+1.1%)	145.3 (+2.2%)
				(or +3.3% on 2022–23 Original)

Aim

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

Brief Description

26 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.

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

Targets

	Target	2021 (Actual)	2022 (Actual)	2023 (Plan)
handling consumer enquiries				
telephone calls answered within				
three minutes (%)	80	59	67¶	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	95	96	100

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

	Target	2021 (Actual)	2022 (Actual)	2023 (Plan)
handling consumer complaints				
telephone calls answered within three minutes (%)	80	58	66¶	80
in writing				
issuing preliminary reply within five working days (%)	100	99	98	100
notifying complainants of results/progress within nine working days (%)	100	100	99	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 owing to the special work arrangements and isolation / quarantine requirements during the COVID-19 epidemic, resulting in a stretch in manpower to receive calls.

Indicators

	2021 (Actual)	2022 (Actual)	2023 (Estimate)
consumer complaints.....	27 382	30 764	31 000
consumer enquiries.....	67 080	58 848	60 000
product tests^	45	44	44
consumer surveys^.....	26	27	27
in-depth studies^	13	14	15
studies of general interest^	20	67μ	60μ
response to consultation from the Government and other public bodiesΘ	15	12	10
consumer education programmes.....	403@	252@	240
circulation of publications.....	259 400	244 700	244 700

^ 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.

μ A significant increase in the number of studies of general interest was recorded for 2022. With the launch of the WeChat account in July 2022, the Council intensified its effort in studies of general interest to cater for more frequent updates on WeChat. The Council will continue its promotional effort on WeChat in 2023.

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 in 2021 was at a higher level as programmes designed for students were rearranged into small group activities at the request of schools in order to comply with anti-epidemic requirements. As the epidemic situation has become stabilised from June 2022 onwards, the scale and number of programmes have gradually resumed to normal.

Matters Requiring Special Attention in 2023–24

28 During 2023–24, 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; and
- the procurement of backup infrastructure enhancements and mobile device security management solution for the Council.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

Programme (8): Subvention: Competition Commission

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	123.4	158.9	144.4 (–9.1%)	150.3 (+4.1%)
				(or –5.4% on 2022–23 Original)

Aim

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

Brief Description

30 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.

31 The key performance measures are:

Targets

	Target	2021 (Actual)	2022 (Actual)	2023 (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	100	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	100	95
respond to requests within ten working days of receipt (%)	95	99	100	95

Indicators

	2021 (Actual)	2022 (Actual)	2023 (Estimate)
enforcement			
enquiries received	308	258	300
complaints received.....	256	252	300
initial assessments commencedΨ.....	19	5	—β
cases escalated to in-depth investigationΔ.....	4	4	—β

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

	2021 (Actual)	2022 (Actual)	2023 (Estimate)
cases brought to the Competition Tribunal	2	3	—β
cases resolved by Commitments, issuing of Infringement Notices and Warning Notices.....	1	1	—β
applications for Decisions and Block Exemption Orders received.....	0	0	—β
major market study launched	0	0	1□
publicity and advocacy			
major publicity or education campaigns launched.....	1	1	2
events, seminars, conferences and exhibitions conducted.....	56	47	40
major international events, seminars and conferences participated in	8	8	8
newsletters published	3	3	3
outreach on online platforms.....	175	174	165

Ψ 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.

β 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.

□ Subject to accessibility of sufficient data / information.

Matters Requiring Special Attention in 2023–24

32 During 2023–24, 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

ANALYSIS OF FINANCIAL PROVISION

Programme	2021–22 (Actual) (\$m)	2022–23 (Original) (\$m)	2022–23 (Revised) (\$m)	2023–24 (Estimate) (\$m)
(1) Director of Bureau's Office	13.8	14.2	15.2	16.1
(2) Commerce and Industry	6,138.2	770.0	289.0	567.3
(3) Telecommunications	111.7	468.4	317.0	334.2
(4) Broadcasting	25.8	13.8	41.1	17.4
(5) Posts, Competition Policy and Consumer Protection	10.3	10.2	10.2	10.2
(6) Subvention: Hong Kong Trade Development Council	638.1	600.2	600.2	640.2
(7) Subvention: Consumer Council	141.7	140.7	142.2	145.3
(8) Subvention: Competition Commission	123.4	158.9	144.4	150.3
	7,203.0‡	2,176.4‡	1,559.3‡ (–28.4%)	1,881.0 (+20.6%)
				(or –13.6% on 2022–23 Original)

‡ For comparison purpose, the figures have been adjusted to reflect the provisions for the relevant programmes under this Head due to the re-organisation of the Government Secretariat with effect from 1 July 2022. In addition, the figures also exclude the relevant provisions for the tourism and public safety (Hong Kong Observatory) portfolios which have been transferred to Head 132 — Government Secretariat: Culture, Sports and Tourism Bureau and Head 137 — Government Secretariat: Environment and Ecology Bureau (Environment Branch) respectively due to the aforementioned Government re-organisation.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2023–24 is \$0.9 million (5.9%) higher than the revised estimate for 2022–23. This is mainly due to the increased provision for salary expenses.

Programme (2)

Provision for 2023–24 is \$278.3 million (96.3%) higher than the revised estimate for 2022–23. This is mainly due to the increased cash flow requirement for the Incentive Scheme for Recurrent Exhibitions. Besides, there will be a net decrease of four posts in 2023–24.

Programme (3)

Provision for 2023–24 is \$17.2 million (5.4%) higher than the revised estimate for 2022–23. This is mainly due to increase in cash flow requirement for the Subsidy Scheme to Extend Fibre-based Networks to Villages in Remote Areas. In addition, there will be a net increase of one post in 2023–24.

Programme (4)

Provision for 2023–24 is \$23.7 million (57.7%) lower than the revised estimate for 2022–23. This is mainly due to the lapse of a one-off provision to RTHK in 2022–23 for enhancement of its mission as the public service broadcaster of Hong Kong.

Programme (5)

Provision for 2023–24 is the same as the revised estimate for 2022–23.

Programme (6)

Provision for 2023–24 is \$40.0 million (6.7%) higher than the revised estimate for 2022–23. This is due to the additional subvention for the HKTDC to take forward various initiatives to tell the Hong Kong stories in the post-pandemic recovery period and to help SMEs explore new markets.

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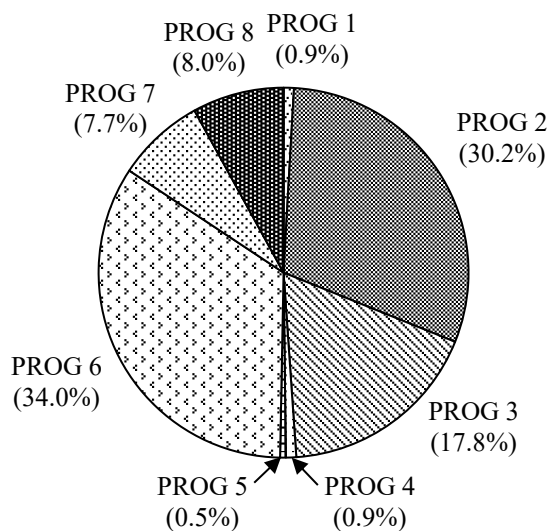
Programme (7)

Provision for 2023–24 is \$3.1 million (2.2%) higher than the revised estimate for 2022–23. This is mainly due to the increased provision for enhancing the Consumer Council’s capability in conducting studies and related liaison work.

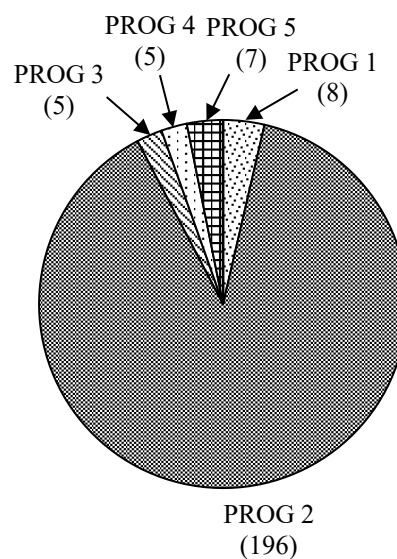
Programme (8)

Provision for 2023–24 is \$5.9 million (4.1%) higher than the revised estimate for 2022–23. This is mainly due to the COVID-19 epidemic which affected the spending progress of the Competition Commission.

*Allocation of provision
to programmes
(2023-24)*

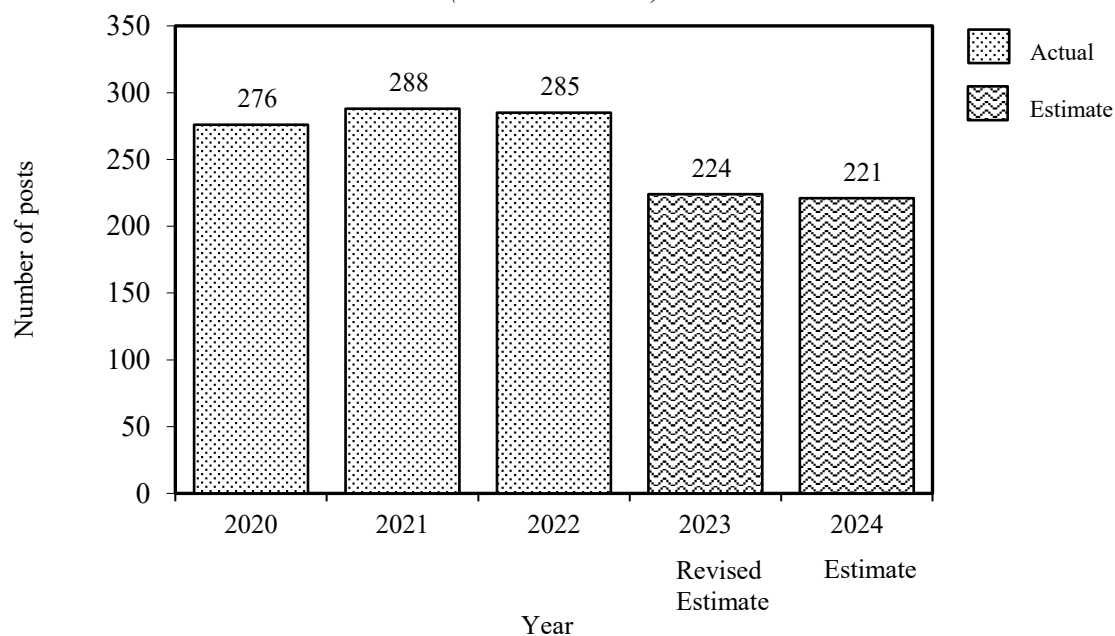


*Staff by programme
(as at 31 March 2024)*



(No government staff under PROG 6, 7 & 8)

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



Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

Sub-head (Code)	Actual expenditure 2021–22	Approved estimate 2022–23	Revised estimate 2022–23	Estimate 2023–24
	\$'000	\$'000	\$'000	\$'000
Operating Account				
Recurrent				
000 Operational expenses	2,966,856	3,192,519	1,337,974	1,201,585
Total, Recurrent	2,966,856	3,192,519	1,337,974	1,201,585
Non-Recurrent				
700 General non-recurrent	7,274,592	1,270,014	551,499	567,886
Total, Non-Recurrent	7,274,592	1,270,014	551,499	567,886
Total, Operating Account	10,241,448	4,462,533	1,889,473	1,769,471
Capital Account				
Plant, Equipment and Works				
Minor capital works (block vote)	5,897	8,820	4,855	—
Minor plant, vehicles and equipment (block vote)	—	4,750	—	—
Total, Plant, Equipment and Works	5,897	13,570	4,855	—
Subventions				
85G Hong Kong Trade Development Council	101,000	100,000	100,000	100,000
955 Consumer Council	—	7,440	7,440	6,603
970 Consumer Council (block vote)	4,709	3,833	3,833	4,913
Total, Subventions	105,709	111,273	111,273	111,516
Total, Capital Account	111,606	124,843	116,128	111,516
Total Expenditure	10,353,054	4,587,376	2,005,601	1,880,987

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

Details of Expenditure by Subhead

The estimate of the amount required in 2023–24 for the salaries and expenses of the Commerce and Economic Development Bureau is \$1,880,987,000. This represents a decrease of \$124,614,000 against the revised estimate for 2022–23 and \$8,472,067,000 against the actual expenditure in 2021–22.

Operating Account

Recurrent

2 Provision of \$1,201,585,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Commerce and Economic Development Bureau. The decrease of \$136,389,000 (10.2%) against the revised estimate for 2022–23 is mainly due to the transfer of provisions for the tourism portfolio to the Culture, Sports and Tourism Bureau.

3 The establishment as at 31 March 2023 will be 224 posts including four supernumerary posts. It is expected that there will be a net decrease of three posts in 2023–24. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2023–24, but the notional annual mid-point salary value of all such posts must not exceed \$152,280,000.

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

	2021–22 (Actual) (\$'000)	2022–23 (Original) (\$'000)	2022–23 (Revised) (\$'000)	2023–24 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	235,629	252,643	192,899	200,863
- Allowances.....	10,466	10,315	8,488	7,877
- Job-related allowances.....	5	4	86	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	489	384	454	225
- Civil Service Provident Fund contribution.....	14,069	16,781	11,099	14,911
- Disturbance allowance.....	—	—	—	201
Departmental Expenses				
- General departmental expenses	370,606	763,776	135,642	129,445
Other Charges				
- Subscription to the World Trade Organization	46,487	46,692	46,997	50,641
Subventions				
- Consumer Council	136,967	129,356	130,912	133,756
- Hong Kong Tourism Board	1,493,223	1,350,941	187,735#	—
- Hong Kong Trade Development Council.....	537,133	500,242	500,242	540,242
- Competition Commission	121,782	121,385	123,420	123,420
	<u>2,966,856</u>	<u>3,192,519</u>	<u>1,337,974</u>	<u>1,201,585</u>

Includes three months' provision up to 30 June 2022. Remaining nine months' provision has been transferred to Head 132 — Government Secretariat: Culture, Sports and Tourism Bureau with effect from 1 July 2022.

Capital Account

Subventions

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

6 Provision of \$6,603,000 under *Subhead 955 Consumer Council* is for the revamp of the Complaint Case Management System of the Consumer Council. The decrease of \$837,000 (11.3%) against the revised estimate for 2022–23 is mainly due to the decreased cash flow requirement for the project concerned.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

7 Provision of \$4,913,000 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 increase of \$1,080,000 (28.2%) over the revised estimate for 2022–23 is mainly due to the increased cash flow requirement for the implementation of information technology projects for the Consumer Council.

Head 152 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2022 \$'000	Revised estimated expenditure for 2022–23 \$'000	Balance \$'000
Operating Account						
700		<i>General non-recurrent</i>				
	801	Professional Services Advancement Support Scheme	200,000	47,592	11,000	141,408
	804	Funding for Competition Commission's litigation work.....	238,346	56,990	21,010	160,346
	814	Subsidy Scheme to Extend Fibre-based Networks to Villages in Remote Areas	774,400	75,600	282,095	416,705
	815	Incentive Scheme for Recurrent Exhibitions§	1,400,000§	—	—	1,400,000
			<u>2,612,746</u>	<u>180,182</u>	<u>314,105</u>	<u>2,118,459</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	100,000	100,000
			<u>301,000</u>	<u>101,000</u>	<u>100,000</u>	<u>100,000</u>
955		<i>Consumer Council</i>				
	813	Revamp of the Complaint Case Management System of the Consumer Council	24,335	—	7,440	16,895
			<u>24,335</u>	<u>—</u>	<u>7,440</u>	<u>16,895</u>
	Total		<u>2,938,081</u>	<u>281,182</u>	<u>421,545</u>	<u>2,235,354</u>

§ This is a new item, funding for which is sought in the context of the Appropriation Bill 2023.