

Index Page

Replies to supplementary questions raised by Legislative Council Members in examining the Estimates of Expenditure 2026-27

Director of Bureau : Secretary for Commerce and Economic Development

Session No. : 10

Consolidated e-file name : CEDB-2S-e1.docx

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
SV-CEDB01	SV013	CHEN Chung-nin, Rock	152	(2) Commerce and Industry
SV-CEDB02	SV012	CHONG Ho-fung	152	(3) Telecommunications
SV-CEDB03	SV010	NG Kit-chong, Johnny	152	(2) Commerce and Industry
SV-CEDB04	SV011	YIU Pak-leung	152	(2) Commerce and Industry

CONTROLLING OFFICER'S REPLY

SV-CEDB01

(Question Serial No. SV013)

Head: (152) Government Secretariat: Commerce and Economic Development Bureau

Subhead (No. & title): (-) -

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Ms Angela LEE)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the work of the Task Force on Supporting Mainland Enterprises in Going Global for 2026-27, please provide a consolidated estimate of the basic expenditures required by various policy bureaux and departments.

Asked by: Hon CHEN Chung-nin, Rock

Reply:

The 2025 Policy Address announced mobilising Hong Kong offices abroad, including those under Invest Hong Kong (InvestHK) and the Hong Kong Trade Development Council (HKTDC) as well as the Hong Kong offices in the Chinese Mainland, to form a one-stop platform and establishment of the cross-bureau, cross-departmental and cross-agency Task Force on Supporting Mainland Enterprises in Going Global (GoGlobal Task Force) to encourage Chinese Mainland enterprises to use Hong Kong as a platform to go global. The Secretary for Commerce and Economic Development steers the work of the GoGlobal Task Force and co-ordinates various bureaux, departments and agencies in formulating comprehensive support services tailored for different needs of enterprises and assisting them to go global through Hong Kong.

Apart from the Commerce and Economic Development Bureau, GoGlobal Task Force members include the Department of Justice, the Constitutional and Mainland Affairs Bureau (CMAB), the Financial Services and the Treasury Bureau (FSTB), the Innovation, Technology and Industry Bureau, InvestHK, HKTDC, the Hong Kong Monetary Authority (HKMA), the Hong Kong Exchanges and Clearing Limited (HKEX), the Hong Kong Productivity Council (HKPC) and the Hong Kong Export Credit Insurance Corporation. The work of the GoGlobal Task Force has become part and parcel of these members' daily duties. For example, InvestHK's main duty is to attract enterprises from outside Hong Kong (including the Chinese Mainland) to establish a presence in Hong Kong; HKTDC has long

assisted local enterprises in expanding their business abroad and connecting with the professional service sector; InvestHK and HKTDC also maintain collaboration with Mainland Offices under CMAB to jointly organise promotional events and connect with Chinese Mainland enterprises; FSTB, HKMA and HKEX are responsible for providing policies and support services on financial services, listing and financing as required by enterprises; HKPC provides professional support on technology and standards to innovation and technology enterprises in Hong Kong and the Chinese Mainland. The resources for supporting the work of the GoGlobal Task Force by individual GoGlobal Task Force members have been subsumed under their respective overall expenditure estimates, and cannot be quantified separately.

Besides, InvestHK, as the secretariat of the Steering Committee for the GoGlobal Task Force, is responsible for coordinating between the GoGlobal Task Force and Chinese Mainland enterprises. It also implements other new investment promotion initiatives. The Department plans to create a time-limited non-civil service position of Associate Director-General of Investment Promotion (ADGIP) equivalent to the Directorate Pay Scale Point 2 for a period of 3 years, and a total of 26 non-directorate posts/positions^{Note}. The full annual average staff costs for the ADGIP position and the 2 civil service posts combined are around \$3.24 million and around \$2.9 million respectively (including salaries and staff on-cost). As for the total annual average cost for the remaining 24 non-directorate non-civil service contract and locally-engaged staff for a period of 3 years, it will not exceed around \$17.46 million for a period of 3 years.

In addition, to match the Chinese Mainland enterprises seeking to go global with Hong Kong professional services, an additional one-off allocation of \$5 million has been allocated to HKTDC to establish a digital platform of cross-sectoral professional services under the 2026-27 Budget. The platform provides the said enterprises with professional consultation and support services on a case-by-case basis. HKTDC launched the platform on 20 March 2026 and introduced GoGlobal Connect on 14 April 2026 to further strengthen the related services.

Note: This includes creating 2 civil service posts and 5 non-civil service contract staff positions in the Hong Kong Head Office of InvestHK, a total of 16 locally-engaged staff positions in 5 Mainland Offices and their Liaison Units, as well as a total of 3 locally-engaged staff positions in 3 overseas Economic and Trade Offices.

- End -

CONTROLLING OFFICER'S REPLY

SV-CEDB02

(Question Serial No. SV0012)

Head: (152) Government Secretariat: Commerce and Economic Development Bureau

Subhead (No. & title): (-) -

Programme: (3) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Ms Angela LEE)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

- (a) It is noted that regarding the application to the Office of the Communications Authority for the HKeToll service to become a Registered Sender, it has taken about 11 months for the processing of the case to be completed. Please give the reasons for the lengthy processing time of the case.
- (b) Will the Government consider putting in place a mechanism to impose penalties on telecommunications service providers (TSPs) with users involved in telephone fraud cases, so that TSPs will enhance their work on “know your customer” and intercept SMS messages sent by users suspected to be involved in telephone fraud cases, thereby assisting in the crackdown on such cases?

Asked by: Hon CHONG Ho-fung

Reply:

According to the record of the Office of the Communications Authority (OFCA), the Transport Department (TD) submitted an application to register “#HKeToll” as a Registered SMS Sender ID on 23 February 2024. OFCA approved the relevant application on the 10th working day (i.e. 8 March 2024), and notified TD on the same day that it could start using “#HKeToll” as its Registered SMS Sender ID. TD and the toll service provider immediately engaged the relevant telecommunications service provider (TSP) in discussions on the technical details concerned and made arrangement to upgrade the “HKeToll” system, so as to cope with the system’s huge daily transaction volume. Once the relevant arrangement and system upgrade had been completed, TD began sending text messages via “#HKeToll” to “HKeToll” users with local mobile service from 28 October 2024 and deactivated the use of sender name without the prefix “#” at the same time.

Under the SMS Sender Registration Scheme, TSPs will block all SMS messages with sender IDs containing “#” but not sent by Registered Senders. Based on information obtained from various sources, including the Police, OFCA will also request TSPs to reinforce the blocking of other SMS messages suspected to impersonate identities of a Registered Sender. Separately, the Communications Authority (CA) has promulgated a code of practice, which requires TSPs to monitor calls and SMS messages originating from their networks and systems. Once suspicious pattern(s) of making calls or sending SMS messages (e.g. making a large number of calls or sending a large number of SMS messages within a short period of time) is identified, TSPs will suspend the telecommunications services of the relevant phone numbers immediately.

Besides, the Real-name Registration Programme for SIM Cards (RNR Programme) was fully implemented on 24 February 2023, requiring that all SIM cards issued and used locally (including SIM service plan and pre-paid SIM cards) must complete real-name registration before service activation. CA issued the Guidelines on Implementation of Real-name Registration for SIM Cards (Guidelines) to provide practical and administrative guidance to TSPs for implementation of the RNR Programme. If a TSP violates the Guidelines and its relevant licence conditions, CA may issue a written direction pursuant to section 36B of the Telecommunications Ordinance (TO) to direct the TSP to comply with the Guidelines, or impose a financial penalty pursuant to section 36C of the TO for TSP’s failure to comply with the Guidelines and relevant licence conditions, etc. OFCA will continue to urge the TSPs to strictly comply with the aforementioned codes of practice and the Guidelines, and will refer cases suspected of involving phone scams to the Police for handling.

The enhancement measures taken by OFCA regarding the RNR Programme have been set out in detail in CEDB030 and will not be repeated here.

- End -

CONTROLLING OFFICER'S REPLY

SV-CEDB03

(Question Serial No. SV010)

Head: (152) Government Secretariat: Commerce and Economic Development Bureau

Subhead (No. & title): (-) -

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Ms Angela LEE)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

It is mentioned in Reply Serial No. CEDB107 that as at end-February 2026, 3 919 applications of the Special 100% Guarantee Product, involving around \$11.4 billion of loans, were found to have involved illegal activities, of which 2 259 cases (involving around \$6.1 billion of loans) were identified after loan drawdown. Has the Government taken any actions to recover the loans drawn down from the borrowing enterprises concerned? What is the amount of loans recovered?

Asked by: Hon NG Kit-chong, Johnny

Reply:

The SME Financing Guarantee Scheme is administered and managed by HKMC Insurance Limited (HKMCI). HKMCI and lending institutions will review cases of loan default and take appropriate recovery actions in accordance with prudent commercial principles, with a view to reducing the loss of the Government.

HKMCI has been working closely with lending institutions on properly handling default cases, and will discuss a feasible repayment plan with the borrowing enterprise, e.g. repaying only the interest or part of the principal during a transition period, so that the borrowing enterprise can continue its operation while making a debt restructuring arrangement as soon as possible, with a view to gradually resuming normal repayments.

If the lending institution and the borrowing enterprise could not reach agreement on the repayment or the latter refuses to cooperate, the lending institution will consider taking appropriate recovery/legal actions, including requesting the relevant enterprise and guarantor to repay the loan, filing a petition for winding-up and/or bankruptcy with the court, etc. If an individual debtor of a case could not be reached, the lending institution will pursue other guarantors for recovery of the outstanding loans.

Lending institutions and HKMCI have been communicating and working closely with law enforcement agencies (LEAs) regarding loan applications involving suspected illegal activities, including reporting the cases and providing assistance to LEAs. The relevant cases are being handled and investigated by LEAs. The assets of some of the borrowing enterprises involved have been frozen.

According to the latest information of HKMCI, as at end-February 2026, 2 259 cases under the Special 100% Guarantee Product (involving around \$6.1 billion of loans) were found to have involved suspected illegal activities after loan drawdown, and altogether a total amount of loan principals of more than \$0.8 billion has been recovered so far. 44% of the cases (i.e. 999 cases) are making normal repayments, involving around \$2.3 billion of loans, while the remaining 56% of the cases (i.e. 1 260 cases) have defaulted on repayments, involving around \$3.8 billion of loans. Based on the individual circumstances of each case, lending institutions will take appropriate recovery/legal actions and work closely with LEAs, with a view to reducing the loss of the Government. The Government and HKMCI will continue to monitor the situation closely.

- End -

CONTROLLING OFFICER'S REPLY

SV-CEDB04

(Question Serial No. SV011)

Head: (152) Government Secretariat: Commerce and Economic Development Bureau

Subhead (No. & title): (-) -

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Ms Angela LEE)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

- (a) Regarding the Government's initiative to earmark \$100 million for attracting large-scale international exhibitions with new elements to Hong Kong through collaborating with relevant organisations on a pilot basis, will the organisers be required to stage the exhibitions at designated venues in order to be eligible for the funding support?
- (b) What is the latest progress of the Wan Chai North Redevelopment project? What are the measures to be implemented by the Government to increase the supply of convention and exhibition facilities in Hong Kong to meet the demand in the run-up to the completion of the phase 2 expansion of AsiaWorld-Expo by 2028?

Asked by: Hon YIU Pak-leung

Reply:

As announced in the 2026-27 Budget, to promote the further development of the exhibition industry and brand building, the Hong Kong Special Administrative Region (HKSAR) Government will earmark \$100 million for attracting large-scale international exhibitions with new elements to Hong Kong through collaborating with relevant organisations on a pilot basis. Our objective is to develop Hong Kong into the first-choice platform for showcasing the Chinese Mainland and overseas brands, while attracting high-spending business visitors to Hong Kong and driving high value added economic activities. We are formulating the relevant arrangements and implementation details.

Unlike the previous arrangement of subsidising venue rental through incentive schemes, we will pilot a more flexible approach of providing financial support. By partnering with statutory bodies and relevant organisations, we will leverage their expertise, networks and supporting services to identify and attract large-scale, high-quality international exhibitions with new elements to be staged in Hong Kong, with the aim of injecting new impetus into the

convention and exhibition (C&E) industry and reinforcing Hong Kong's position as a premier platform for showcasing the Chinese Mainland and overseas brands. The financial subsidies will not be limited to venue rental, nor will we require exhibitions to be held at designated venues, thereby providing organisers with greater flexibility in meeting the needs of the relevant exhibitions.

In addition, to consolidate and enhance the pre-eminent position of Hong Kong as an international C&E hub, and in response to the keen demand for exhibition venues from the industry, the HKSAR Government has been taking forward the Wan Chai North Redevelopment project near the Hong Kong Convention and Exhibition Centre as planned and the phase 2 expansion of Asia World-Expo (AWE). The Airport Authority Hong Kong has commenced the construction of the AWE expansion, and the project is expected to be completed by 2028. As for the Wan Chai North Redevelopment project, it involves the redevelopment of sites of the Wan Chai Government Offices Compound (WCGOC), Gloucester Road Garden and Kong Wan Fire Station into C&E facilities, hotel, etc. The construction works for the reprovisioning buildings involving the relevant user departments of WCGOC and the reprovisioning of the Kong Wan Fire Station are underway and are expected to be completed by the end of 2027. While taking forward these 2 projects, we will make more flexible use of existing venues to meet the demand, and continue to implement various measures to attract economically beneficial C&E events to Hong Kong with a view to preserving Hong Kong's edge in the C&E industry.

- End -