

立法會
Legislative Council

LC Paper No. CB(1)1463/05-06
(These minutes have been seen
by the Administration)

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Panel on Commerce and Industry

Minutes of meeting
held on Tuesday, 18 April 2006, at 2:30 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon Vincent FANG Kang, JP (Deputy Chairman)
Dr Hon LUI Ming-wah, SBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon WONG Ting-kwong, BBS
- Members absent** : Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP (Chairman)
Hon SIN Chung-kai, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon CHIM Pui-chung
- Member attending** : Hon Fred LI Wah-ming, JP
- Public officers attending** : Agenda Item IV

Mr Mike ROWSE
Director-General of Investment Promotion

Mr Philip YUNG
Deputy Secretary for Commerce, Industry and
Technology
(Commerce and Industry) 1

Agenda Item V

Miss Eugenia CHUNG
Acting Principal Assistant Secretary for Commerce,
Industry and Technology (Commerce and Industry)

Mr Peter CHEUNG
Acting Director of Intellectual Property

Ms Jenny WONG
Head, Marketing Division, Intellectual Property
Department

Clerk in attendance : Miss Polly YEUNG
Chief Council Secretary (1)3

Staff in attendance : Mr Paul WOO
Senior Council Secretary (1)3

Ms YUE Tin-po
Senior Council Secretary (1)5

Ms Sharon CHAN
Legislative Assistant (1)6

Action

The Deputy Chairman informed members that he would chair the meeting as the Chairman could not attend the meeting due to other engagement.

I Confirmation of minutes and matters arising

LC Paper No. CB(1)1148/05-06 -- Minutes of meeting held on
21 February 2006

2. The minutes of the meeting held on 21 February 2006 were confirmed.

II Papers issued since last meeting

LC Paper No. CB(1)1086/05-06(01) -- Information on the financial
position of the Applied Research
Fund for the period of 1
December 2005 to 28 February
2006

LC Paper No. CB(1)1205/05-06(01) -- Brief on innovation and technology development in Hong Kong for informal meeting with delegation of the Parliament of Finland, the Subcommittee for Trade and Industry, Finance Committee on 3 April 2006

LC Paper No. CB(1)1295/05-06(01) -- Information on "Appointment of New Service Provider and Service Agents for Electronic Submission of Cargo Manifests"

3. Members noted that the above papers had been issued for the Panel's information.

III Date and items for discussion for next meeting

LC Paper No. CB(1)1287/05-06(01) -- List of outstanding items for discussion

LC Paper No. CB(1)1287/05-06(02) -- List of follow-up actions

4. The Deputy Chairman informed members that so far, the Administration had not proposed any agenda item for discussion by the Panel at its meeting on 16 May 2006. He asked the Clerk to invite suggestions from the Administration and members after the meeting for the Panel Chairman's consideration.

Clerk

IV Promotion of inward investment

LC Paper No. CB(1)1287/05-06(03) -- Information paper provided by the Administration

LC Paper No. CB(1)1287/05-06(04) -- Question raised by Hon WONG Ting-kwong on "Joint external economic and trade cooperation plans between Hong Kong and Guangdong authorities" at the Council meeting on 29 March 2006 and the Administration's reply

5. At the invitation of the Deputy Chairman, the Director-General of Investment Promotion (DGIP) briefly introduced the paper which provided an update on the work of Invest Hong Kong (InvestHK) in promoting inward investment in 2005 and outlined the developments planned for 2006.

Investment promotion

6. Referring to the overseas investment promotion seminars conducted jointly with Mainland authorities, Mr Andrew LEUNG enquired about the effectiveness of these promotional activities and whether it was worthwhile for Hong Kong to continue to engage in such activities.

7. In response, DGIP said that the series of joint seminars with major Mainland provinces and cities were conducted with a view to promoting the combined advantages offered by Hong Kong and the Mainland, in particular the Greater Pearl River Delta (PRD) and the Pan-PRD. This strategy had proved to be successful and the joint seminars had received an encouraging response from foreign investors. He informed members that InvestHK had maintained a consistent programme of joint overseas investment promotions with Mainland provinces/cities. Details of the activities in 2005 were highlighted in Enclosure 3 of the paper. In this connection, he advised that the seminar conducted jointly with Fujian for the first time in Dusseldorf last year was well-received by the Fujian partner and there would be a plan to stage another one later this year, probably in the USA. Another joint seminar with Guangdong would be held in Paris also later this year. In the following week, two joint seminars to promote investment in PRD would be held in Europe, and a third one would be held in May 2006 in Seoul.

8. DGIP further informed members that the vast majority of the Mainland provinces/cities with whom Hong Kong conducted joint overseas promotion activities were from the PRD region because of their close relationship with Hong Kong and hence, the synergy effect that would result. So far, Hong Kong had only held one joint promotion seminar with Shanghai, which was a municipality outside the Pan-PRD region, in Tokyo in March 2005. The event had generated great interest in the Japanese market, attracting about 400 participating Japanese companies and a significant number of media reporters. The opportunity had been taken to put the message across to the Japanese business sectors that both Hong Kong and the Mainland, particularly the Pan-PRD region in the south and the Yangtze River Delta (YRD) in the east, were places with huge investment potential.

9. DGIP highlighted that the launch of the joint promotional activities involved participation from the Mainland authorities at various levels, including the Mainland Bureaux of Foreign Trade and Economic Cooperation at the municipal level, the Departments at the provincial level and the Commissions in respect of the four major cities that reported direct to The Central People's Government. If Hong Kong could establish good working relationships with these authorities, then, an additional benefit was that Mainland companies wishing to set up/expand their business outside China would find it easier to get approval to use Hong Kong as a springboard for going global.

10. While agreeing with the importance of investment promotion, Dr LUI Ming-wah nevertheless questioned how the results achieved by InvestHK could be quantified, pointing out that the Mainland partners conducting joint promotional activities with InvestHK often publicized the fruitful outcomes

achieved while Hong Kong often had little progress to announce. He reiterated his concern about the lack of emphasis on promoting investment to facilitate new industrial or manufacturing development in Hong Kong.

11. In this connection, DGIP advised that it was a common practice for the Mainland authorities to arrange a contract signing ceremony as part of the proceedings of the joint investment promotion seminars. However, he pointed out that the contracts which were the subject of the signing ceremony were not new contracts secured by the Mainland cities as a result of the promotional seminar in question, but were contracts entered into with foreign trading partners at an earlier time.

12. DGIP said that the mission of InvestHK was to attract to and retain in Hong Kong economically and strategically important investment, making use of its unique strengths and advantages as a preferred destination for foreign direct investment, as well as a springboard for foreign enterprises and companies to tap the huge Mainland market. He further explained that most of the investment projects facilitated by InvestHK were in the financial, professional and other services sectors, which formed the core of Hong Kong's economy and the priority areas for development, while about 5% of the projects were manufacturing-related. This proportion was consistent with the relative share of the services and manufacturing sectors in Hong Kong's Gross Domestic Product.

13. Referring to Dr LUI's concern about the manufacturing sector, DGIP advised that comparatively speaking, Hong Kong was a less preferred choice for setting up and/or expanding manufacturing operations which were very labour-intensive and heavily reliant on availability of cheap land and cheap labour. That said, DGIP pointed out that more than 40 integrated circuit design companies had set up operations in the Science Park, many of which were introduced to invest in Hong Kong through InvestHK. DGIP assured members that InvestHK would continue to review the priority areas in which it should strengthen promotional efforts.

Admin

14. The Deputy Secretary for Commerce, Industry and Technology (Commerce and Industry) 1 (DSCIT(CI)1) advised that the Administration was aware of the need to review the strengths of Hong Kong as a leading financial and services hub in the region in the light of economic development and formulate forward-looking strategies on investment promotion. He added that in recent years, to keep pace with the latest economic developments, priority had been placed on promoting investment in innovation and technology and other high value-added sectors. The Administration would continue to review the policies and the strategic areas for promotion. In this connection, DGIP informed members that InvestHK was planning to commission a review to identify which priority sectors should remain the focus of its promotional work, having regard to the rapid economic development over the years, both locally and globally. The review was expected to commence soon.

15. Mr CHAN Kam-lam considered that, in promoting inward investment, it was not enough for InvestHK to capitalize on or focus on Hong Kong's pre-existing advantages. In his view, the economy of Hong Kong had its

inadequacies and limitations. Being well-positioned to gauge market needs, InvestHK, together with the Commerce, Industry and Technology Bureau, should set their vision on identifying new areas and sectors the development of which could improve Hong Kong's economic structure and business environment. The Government should take action on two major fronts. First, it should review the existing investment facilitation policy, and secondly, implement incentive measures to attract investment in the target areas and sectors. In this connection, Mr CHAN pointed out that Shanghai had introduced various incentives such as tax and land use concessions to attract potential investors. Hong Kong appeared to be lagging behind its competitors in this regard.

16. In this regard, Mr CHAN Kam-lam further highlighted that to put resources to optimal use, InvestHK should not devote too much resources in providing aftercare services to the foreign companies which had already set up operations in Hong Kong, such as assisting the senior executives of the companies in finding school places for their children and offering other ancillary support services.

17. Echoing Mr CHAN Kam-lam's views, the Deputy Chairman said that the Administration should draw upon the experience of other places in implementing investment facilitation measures. Mr Jeffrey LAM considered that the Administration should strengthen publicity on positive measures introduced to boost confidence in the economy, such as the implementation of Phase III of the Mainland and Hong Kong Closer Economic Partnership Arrangement; abolition of estate duty; expansion of international arbitration services available in Hong Kong; arrangements with the Mainland authorities on mutual enforcement of judgments in civil matters; etc. He also urged the Administration to take proactive measures to improve the business environment of Hong Kong. This would enhance economic activities with the Mainland and other places, thereby benefiting the business sectors in general, and the small and medium enterprises (SMEs) in particular. He added that major trade associations like the Hong Kong General Chamber of Commerce had keen interest in cooperating with InvestHK in investment promotional work

18. In response, DGIP agreed that there was no room for complacency in the face of keen competition from the investment promotion authorities from places like Singapore and Shanghai. InvestHK would not relax its strenuous effort in promoting inward investment in a proactive and targeted manner. He himself and his senior deputies would continue to make visits and attend seminars outside Hong Kong to promote Hong Kong as a place for international business. They would also meet with and develop close contact with trade associations and chambers of commerce, many of which were comprised of SMEs as their members. He assured members that InvestHK would enlist the cooperation and participation from the business sectors in its promotional work.

19. As regards the provision of aftercare support to InvestHK's client companies which had established in Hong Kong, DGIP explained that aftercare services were an important part of the general marketing efforts to promote investment. Helping senior executives of large multi-national firms posted in Hong Kong to find school places for their children, for example, was in some

cases a critical factor for the corporations' decision on whether or not to come to Hong Kong. He further said that it was a natural process that foreign companies attracted to Hong Kong would first start off on a modest scale, and then gradually expand their operation. The provision of appropriate aftercare services to these companies by InvestHK would facilitate them in the development process. On the introduction of incentive measures to attract investment, DGIP noted members' views but said that the matter would have to be considered and decided at a high policy-making level involving not only the Policy Secretary but the Financial Secretary as well.

Investment facilitation for Mainland enterprises

20. Mr WONG Ting-kwong said that he had the opportunity of meeting business entrepreneurs in the Mainland, in particular those from more remote provinces such as Ningxia, and became aware of their difficulty in obtaining multiple-entry business visas to Hong Kong. In his view, this was an impediment for Mainland enterprises interested in investing in Hong Kong. Mr WONG considered that InvestHK should convey the concern to the relevant policy bureaux, as well as the authorities in the Mainland, with a view to reviewing whether the current immigration requirements could be suitably relaxed to provide greater convenience for potential Mainland investors.

21. DGIP agreed that the granting of business visas and employment visas to Mainland business entrepreneurs and executives were important issues which should be looked at in the context of facilitating inward investment. He advised that InvestHK was maintaining close contact with the Immigration Department on such matters, and it would make the best endeavours to assist the companies in getting employment visas for their employees who would be posted in Hong Kong. Although InvestHK was not the visa-issuing authority, it would advise its clients on the application procedures and how to properly present their case to the Immigration Department so as to facilitate the process of granting approval. As regards business visas, he advised that the situation had improved over the years in that there had been an increase in the number of multiple-entry business visas granted to Mainland businessmen, enabling them to make longer stays in Hong Kong. He believed that the situation would continue to improve and InvestHK would follow up the developments closely with relevant authorities.

22. Mr WONG Ting-kwong considered that a policy review on investment facilitation, including consideration of the possibility of introducing relaxation measures to remove unnecessary impediments to enable more Mainland entrepreneurs to come to Hong Kong for investment opportunities, should be undertaken. He pointed out that generally speaking, business entrepreneurs in the north-western and south-western parts of the Mainland were subject to tighter immigration controls as compared with their counterparts in the PRD region. Mr CHAN Kam-lam supported Mr WONG's views and considered that the requirements for granting multiple-entry business visas to Mainland entrepreneurs to visit Hong Kong should be suitably relaxed.

23. DGIP agreed that the practices relating to visa applications varied among provinces/cities in the Mainland. For historical reasons, it was easier for

businessmen in places with closer ties with Hong Kong, such as Guangdong, to get visa approvals. He advised that the general concern and particular problem areas had been raised and discussed at appropriate forums, including meetings with the Ministry of Commerce at the national level and at meetings with individual municipalities and provinces at the local level. As it was a policy issue involving the Central People's Government and the Hong Kong Special Administrative Region Government (SAR Government), he believed that a high-level steer was required to achieve substantive progress.

24. The Deputy Chairman and Mr WONG Ting-kwong opined that a clear policy for general application to provinces and cities in the Mainland would be beneficial. The SAR Government, on its part, should encourage the undertaking of a review of the existing arrangements with the Mainland authorities.

Structure of InvestHK

25. Referring to paragraph 23 of the paper on reshuffling of the duties of the four teams in the Head Office of InvestHK with investment promotion responsibilities relating to the Mainland market, Mr WONG Ting-kwong asked whether the East China team would be disbanded as most of its present duties would be shifted to the new Investment Promotion Unit (IPU) to be created in the new Shanghai Economic and Trade Office (ETO).

26. DGIP responded that the new ETO in Shanghai due to be established later this year would cover the YRD region and its peripheries, i.e. Shanghai and the four provinces of Jiangsu, Zhejiang, Anhui and Hubei. In anticipation of the setting up of the Shanghai ETO and a transfer of the investment promotion duties to its IPU, the scope of the existing East China team in InvestHK's Head Office would be reviewed. It was likely that the East China team would cease to function when the Shanghai ETO became fully operational.

27. Mr WONG Ting-kwong also noted that InvestHK was planning to expand its coverage in the Taiwan market by engaging a local consultant, expected to be in place by May 2006. He enquired about the rationale for engaging a local consultant in Taiwan to undertake investment promotional work for Hong Kong.

28. In reply, DGIP said that it was not an unusual practice for InvestHK to engage local consultants, where appropriate, in places outside Hong Kong to assist in carrying out investment promotional work in those places. For example, local consultants were engaged in Paris, Milan and Hamburg. He explained that this arrangement had the advantage of tapping the expertise of the local consultants, who had on-the-ground knowledge about the markets in which they operated, hence facilitating the effectiveness of the projects. It would also help reduce operational costs as it might not be justified to engage full-time staff from Hong Kong to undertake the promotional work. DSCIT(CI)1 added that InvestHK conducted promotions on a world-wide basis. While there was a dedicated full-time IPU in a number of ETOs, in places where no ETO was established (including Taiwan), it would be necessary to commission local consultants to carry out investment promotional work. Nevertheless, strategic

decisions were ultimately made by InvestHK from the headquarters, not by the local consultants themselves.

Promotional offices set up in overseas places

29. Dr LUI Ming-wah expressed the view that the representative offices set up in overseas places responsible for promoting Hong Kong in trade/investment and tourism matters (e.g. ETOs, offices of the Trade Development Council (TDC) and the Hong Kong Tourism Board (TB), etc.) should as far as practicable be co-located in the same office premises to achieve efficient cooperation and coordination of work and cost savings. DGIP noted the view and explained that wherever there was an IPU, it was included in the ETO as an integral part of its structure to take charge of investment promotion matters. He remarked that it would not be appropriate for him to comment on whether the offices of TDC and TB should be co-located in the same office premises with the ETOs.

30. Summing up, the Deputy chairman said that the Panel was of the view that the Administration should formulate measures with a clear policy direction and long-term vision in promoting investment. In so doing, the Government should make reference to the successful experience of Hong Kong's competitors in attracting inward investment, and take every possible step to improve the local business environment to enhance Hong Kong's attractiveness to potential foreign investors as a preferred place in the region for doing business.

V "No Fakes Pledge"

LC Paper No. CB(1)1287/05-06(05) -- Information paper provided by the Administration

LC Paper No. CB(1)1287/05-06(06) -- Letter dated 6 April 2006 from Hon Fred LI Wah-ming (Chinese version only)

31. Members noted that the item was proposed by Mr Fred LI Wah-ming, Non-Panel Member.

32. The Deputy Chairman declared that he was a member of the Hong Kong Tourism Board (HKTB) and the Deputy Chairman in charge of the Quality Tourism Services (QTS) Scheme under HKTB.

33. At the invitation of the Deputy Chairman, the Acting Director of Intellectual Property (DIP(Ag)) briefed members on the Administration's paper which set out the background of the "No Fakes Pledge" Scheme (the Scheme) launched by the Intellectual Property Department (IPD).

Issuing Bodies

34. Noting that the Hong Kong Chamber of Pharmacy Limited (HKCPL) had participated in the Scheme as an issuing body in 2006, Mr Fred LI Wah-ming

queried whether there would be any conflict of interest and a lack of monitoring if the 'No Fakes' stickers were issued by such retail organization to retail merchants who belonged to the same retail industry. He also opined that if such retail organizations only accepted the applications from retail merchants who paid for their membership, it would appear that the retail organization was making a profit by issuing the "No Fakes" stickers to its members.

35. In response, DIP(Ag) advised that the Scheme was implemented on a voluntary basis. From time to time, IPD would discuss cooperation with established and reputable trade organizations such as Hong Kong Jewellers' Goldsmiths' Association Ltd. and Federation of Hong Kong Industries' HK Coalition For Intellectual Property Rights with a view to bringing in new organizations representing different retail industries to become the issuing bodies under the Scheme. He further said that it was the consensus of the existing participating organizations that any new organizations should also have a memorandum and articles of association (MAA) which provided for sanctions against any of their members who breached their codes of ethics. IPD believed that those non-profit making retail organizations would deal fairly with their membership applications and there was no evidence to suggest that they would make use of the Scheme to gain more membership fees. In fact, most of them had become issuing bodies at the encouragement of their existing members.

36. DIP(Ag) supplemented that to participate in the Scheme, a retail merchant must be a member of one of the issuing bodies and subject to record checking by the Consumer Council (CC) and the Customs and Excise Department (C&ED) which were the supporting organizations. Whilst the issuing bodies assessed membership applications against a prescribed set of rules, members of the issuing bodies could decide through which retail organization they would like to join the Scheme based on their needs. He pointed out that one of the issuing bodies, Hong Kong Retail Management Association, would consider membership applications from any retailer irrespective of which trade in which they were engaged.

37. Mr Fred LI Wah-ming said that he had browsed the websites of HKCPL and found that the webpage on its MAA was still under construction. In view of the small number of members joining HKCPL, he opined that such a retail organization should be subject to record checking before it could become the issuing body to prevent abuse of the Scheme. Noting Mr LI's concern, DIP(Ag) said that according to his knowledge, HKCPL was established and incorporated under the Companies Ordinance in 1973.

Monitoring of members' compliance with the Scheme

38. Mr Fred LI Wah-ming pointed out that in September 2005, C&ED detected for the first time the selling of counterfeit pharmaceutical products by a shop participating in the Scheme. In this connection, he queried whether IPD had given too much power to issuing bodies without monitoring whether the issuing bodies were carrying out their job properly. The Deputy Chairman also opined that rather than relying on C&ED and CC for record checking, IPD should take more proactive action to ensure that issuing bodies kept their

members' compliance with the Scheme under vigilant monitoring.

39. Noting members' concern, DIP(Ag) advised that IPD had agreed with the issuing bodies and supporting organizations to tighten up the code of ethics of the Scheme with effect from 1 January 2006 to boost public confidence in the Scheme. According to the revised code, IPD and the issuing bodies might terminate a member company's membership immediately if there were reasons to believe that the member company concerned had failed to comply with the code of ethics or if there was any action taken against it by C&ED. The member company concerned would be asked to return the "No Fakes" sticker and tent card. IPD or the issuing bodies would then disclose the name of the member company alleged to have breached the code of ethics within four days. To ensure fairness, the member company could attend a hearing or submit any written representations stating its views on the matter. The final decision to terminate a member company's membership rested with the issuing bodies. In addition to the revised code of ethics of the Scheme, member companies were required to allow C&ED to conduct inspection of their premises. Through effective partnership with copyright and trademark owners and the relevant trade organizations, C&ED maintained close market surveillance over suspected counterfeiting and piracy activities. It would also take swift actions against any shops suspected of selling counterfeit and pirated goods.

40. DIP(Ag) stressed that to uphold the integrity of the Scheme, the issuing bodies were responsible for monitoring the compliance of the Scheme since they were familiar with the operation of their respective retail industries. The supporting organizations would assist in providing market surveillance in this respect. The retail merchants of the Scheme also agreed to allow C&ED officers to visit their premises for the purpose of monitoring their compliance.

41. As regards the member company of the Scheme suspected of selling counterfeit pharmaceutical products, DIP(Ag) advised that C&ED had investigated into the case and was now awaiting legal advice from the Department of Justice on how the matter would be pursued.

IPD as coordinator of the Scheme

42. Mr CHAN Kam-lam expressed support for the Scheme and said that the value of the Scheme should not be denied because of an isolated incident of non-compliance. He also considered that more member companies joining the Scheme would bring unity to respective retail sectors. Nevertheless, he urged IPD to organize more promotional activities to encourage retail merchants not to sell or distribute counterfeit or pirated products. With strong marketing effort and growing participation by member companies, Mr CHAN believed that the Scheme would help foster honest and trustworthy trading practices and gained the confidence of consumers and tourists. He also opined that IPD could draw on the experience of the Scheme and assist the authorities concerned of the Guangdong Province to launch a similar scheme to enhance intellectual property protection among retailers and consumers.

43. DIP(Ag) noted the views of Mr CHAN Kam-lam. He said that with the assistance of IPD, the Guangdong Intellectual Property Office had successfully promoted the "No Fakes Pledge" as a trial scheme in Guangzhou, Shenzhen, Dongguan and Shantou to enhance intellectual property protection.

44. Mr WONG Ting-kwong considered that the Scheme was a win-win measure for both the retail organizations and retail merchants. The credibility of the Scheme could be attributed to the effective control measures and stringent monitoring taken by the issuing bodies and supporting organizations. The retail industry had also contributed to the success of the Scheme by exercising self-discipline and cooperation. He agreed with the role of IPD as a coordinator of the Scheme.

Appeal mechanism for reinstatement of Scheme membership

45. In the light of the recent case on the selling of counterfeit pharmaceutical products by a shop participating in the Scheme, Mr WONG Ting-kwong opined that C&ED should strengthen enforcement action and maintain close surveillance over suspected counterfeiting and piracy activities in the market. Nevertheless, he enquired whether member companies whose memberships were terminated could apply to re-join the Scheme if they could produce evidence of compliance with the code of ethics set by the issuing bodies. Echoing the concern of Mr WONG Ting-kwong, Mr Jeffrey LAM suggested that an appeal mechanism should be set up to enable the member company whose Scheme membership had been terminated to attend a hearing and made representation before the issuing body concerned made a final decision on the case.

46. In response, DIP(Ag) advised that so far only one membership of the member companies under the scheme had been terminated since the introduction of the Scheme in 1988. Under the existing practice, applications for joining the Scheme and for renewal of membership had to be made on an annual basis. In view of members' concern, IPD would discuss the matter with the issuing bodies to see if a mechanism should be put in place to consider applications from member companies to reinstate their participation in the Scheme. If the suggestion of setting up an appeal mechanism was to be pursued, consideration would only be given to those applicants which had not committed further breaches after the termination of their membership.

Way forward

47. Mr Fred LI Wah-ming pointed out that at present, the QTS Scheme organized by HKTb aimed to enhance the overall service standards and visitors' confidence, particularly in the areas of dining and shopping in Hong Kong. As he understood, HKTb would conduct stringent assessments on shops and restaurants, as well as undertake undercover site inspections, before qualifying the shops/restaurants under the QTS Scheme. In this connection, he considered that IPD as well as the issuing bodies and supporting organizations should make reference to the QTS Scheme in devising measures to improve the operation of the Scheme.

48. Summing up, the Deputy Chairman urged the Administration to monitor the implementation of the Scheme in a more vigilant manner so as to safeguard against abuse. Since the objective of the Scheme was broadly similar to that of the QTS Scheme, he suggested that IPD might consider working in conjunction with HKTB to promote both Schemes to enhance consumer confidence in Hong Kong.

Admin

49. DIP(Ag) took note of members' views and suggestions for consideration. He said that IPD would make reference to the QTS Scheme with a view to enhancing the effectiveness of the Scheme.

VI Any other business

50. There being no other business, the meeting ended at 4:28 pm.

Council Business Division 1
Legislative Council Secretariat
15 May 2006