

**Replies to supplementary questions raised by Finance Committee Members  
in examining the Estimates of Expenditure 2012-13**

**Director of Bureau : Secretary for Commerce and Economic Development  
Session No. : 12**

<b>Reply Serial No.</b>	<b>Question Serial No.</b>	<b>Name of Member</b>	<b>Head</b>	<b>Programme</b>
<u>S-CEDB(CIT)01</u>	SV022	CHAN Wai-yip, Albert	152	Subvention: Hong Kong Tourism Board
<u>S-CEDB(CIT)02</u>	S042	HO Sau-lan, Cyd	152	Travel and Tourism
<u>S-CEDB(CIT)03</u>	S043	IP Wai-ming	152	Travel and Tourism
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<u>S-CEDB(CIT)07</u>	S064	LAU Wai-hing, Emily	152	Commerce and Industry
<u>S-CEDB(CIT)08</u>	S065	LAU Wai-hing, Emily	152	Commerce and Industry
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**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)01**

Question Serial No.

SV022

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (7) Subvention : Hong Kong Tourism Board

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

In relation to Mr Albert CHAN's concern, the Administration undertook to provide information on the Government officials to be invited to attend overseas promotional events by the Hong Kong Tourism Board in 2012-13.

Asked by: Hon. CHAN Wai-yip, Albert

Reply:

In extending invitation to the appropriate Government officials to attend its overseas promotional events, the Hong Kong Tourism Board (HKTB) will take into account the purpose and nature of the events. As at today, the HKTB plans to invite the following Government officials to attend its overseas promotional events in 2012-13:

Date	Venue	Purpose / Nature of Event	Attending Government Officials
May	Japan	The Hong Kong Trade Development Council (HKTDC), in collaboration with the Hong Kong Economic and Trade Office in Tokyo, will spearhead the staging of a promotional campaign in Tokyo and Osaka themed on the overall strengths of Hong Kong.  To complement the promotional campaign of the HKTDC, the HKTB will launch culinary promotions in Tokyo and Osaka, including participation in the Chinese Cuisine Festival organised by the Japan	Chief Executive and accompanying officials (to be confirmed)

Date	Venue	Purpose / Nature of Event	Attending Government Officials
		Association of Chinese Cuisine in Tokyo on 16 May. The HKTB plans to invite the Chief Executive to attend the promotional event in Tokyo.	
28 June to 1 July	Bordeaux, France	<p>The Bordeaux Wine Festival</p> <p>The Hong Kong Special Administrative Region will take part in the festival as the “City of Honour”. The Hong Kong delegation will attend the official programmes, as well as to promote the culinary excellence and culture of Hong Kong.</p>	Secretary for Commerce and Economic Development and accompanying officials (to be confirmed)

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)02**

Question Serial No.

S042

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (6) Travel and Tourism

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the use of the Mega Events Fund (MEF) for supporting large-scale arts, cultural and sports events organised by local non-profit-making bodies, please advise this Committee of the following:

- (a) using the table below, please provide information on the applications to the MEF in the past three years:

Applicant	Date of Event	Name of Event	Details of Event	District	Estimated Expenditure	Amount of MEF Funding Allocated	Reasons for Rejection of Funding Application

- (b) the criteria for assessing MEF funding applications.

Asked by: Hon. HO Sau-lan, Cyd

Reply:

- (a) The Mega Events Fund (MEF) was established in 2009, following funding approval of the Finance Committee of the Legislative Council (LegCo). Since its inception, six rounds of applications have been invited and a total of 80 applications have been processed. A total sum of \$51.3 million has been granted to support 16 mega events. The details of the 16 MEF-supported events are highlighted below:

Project title	Organiser	Nature	Time	Upper limit of funding
Swire "Symphony Under the Stars"	Hong Kong Philharmonic Orchestra	Large-scale outdoor classical concert	13 November 2009	\$1.4 million

<b>Project title</b>	<b>Organiser</b>	<b>Nature</b>	<b>Time</b>	<b>Upper limit of funding</b>
Hong Kong Tennis Classic 2010	Hong Kong Tennis Patrons' Association Limited	International tennis tournament	6 - 9 January 2010	\$9 million
Mui Wo Water Lantern and Sky Lantern Festival	Hung Shing Festival Preparatory Committee Limited	Traditional cultural activity	26 - 29 March 2010	\$1.5 million
Hong Kong 2010 International a cappella Festival	The Hong Kong Federation of Youth Groups	Large-scale music festival	27 March – 22 April 2010	\$0.8 million
Hong Kong Musical Festival	Springtime Experimental Theatre Perry Chiu Experimental Theatre Ah Lo Productions Chung Ying Theatre Company	Large-scale musical opera festival	29 March – 21 April 2010	\$2.5 million
Hope and Glory	The Birch Foundation	Large-scale multi-media arts exhibition	8 April – 30 May 2010	\$2 million
Hong Kong Dragon Boat Carnival	Hong Kong Dragon Boat Association Hong Kong Tourism Board	Traditional cultural activity with strong sports element	23-25 July 2010	\$5 million
Record Breaking Dragon and Lion Dance Extravaganza	Hong Kong Dragon and Lion Festival Preparatory Committee	Traditional cultural activity	1 January 2011	\$1 million
Hong Kong Tennis Classic 2011	Hong Kong Tennis Patrons' Association Limited	International tennis tournament	5-8 January 2011	\$5 million
Hong Kong Well-wishing Festival	Lam Tsuen Wishing Square Development Limited	Traditional cultural activity	11-17 February 2011	\$1.8 million

<b>Project title</b>	<b>Organiser</b>	<b>Nature</b>	<b>Time</b>	<b>Upper limit of funding</b>
Hong Kong Dragon Boat Carnival 2011	Hong Kong Dragon Boat Association Hong Kong Tourism Board	Traditional cultural activity with strong sports element	17-19 June 2011	\$4 million
Hong Kong International Jazz Festival 2011	Hong Kong Jazz Association	Large-scale music festival	25 September – 2 October 2011	\$3 million
Hong Kong Cricket Sixes 2011	The Hong Kong Cricket Association	International cricket tournament	28 - 30 October 2011	\$3.5 million
UBS Hong Kong Open Championship 2011	Hong Kong Golf Association Limited	International golf tournament	1 - 4 December 2011	\$8 million
Dragon and Lion Dance Extravaganza	Hong Kong Dragon and Lion Festival Preparatory Committee	Traditional cultural activity	1 January 2012	\$1.4 million
Hong Kong Well-wishing Festival 2012	Lam Tsuen Wishing Square Development Limited	Traditional cultural activity	23 January – 6 February 2012	\$1.4 million

In the past three financial years, there were 21, 13 and eight unsuccessful applications for the MEF respectively. There were various reasons for rejecting applications. For example, the information provided in the applications were incomplete or inaccurate; the proposed events could not reach the minimum benchmark of 10 000 participants; the experience and financial strength of the organisers were doubtful, etc. It is the established practice for the MEF Assessment Committee (AC) not to disclose the identity of unsuccessful applicants or the details of their applications without the consent of the applicants. Nevertheless, the Secretariat of the MEF AC will notify unsuccessful applicants individually and give an account of the reasons for their unsuccessful applications upon request, with a view to assisting the applicants to make improvements in future applications.

- (b) The MEF has a strict and open assessment mechanism. The MEF AC considers all the applications in detail. Successful applications must fulfil certain basic criteria. For instance, the proposed event must be an arts, cultural or sports event; the organiser(s) must be local non-profit-making organisation(s); and the number of participants in the proposed event must exceed 10 000. To pass the assessment, the proposed event is also required to attain passing marks for each of the assessment criteria including economic benefits, publicity benefits, scale of the event, technical and financial feasibility, as well as the applicants' event management capabilities, etc. The MEF AC has been assessing each of the applications carefully in accordance with the open assessment mechanism. Applications failing to meet any of the assessment criteria will be rejected.

In accordance with the requirement laid down by LegCo in 2009 when the MEF was set up, a basic funding principle of the MEF is that the Government's total funding support for each event (including the MEF) must not exceed 50% of the total cost of the event. Apart from the MEF, the organisers are required to provide funding from their own sources and/or from other sources (such as third-party contributions or sponsorships) to meet the remaining expenditure of the event.

Successful applicants must also comply with any other terms and conditions as stipulated in the agreement. Generally speaking, the costs for maintaining the applicant's own operation or administration will not be funded.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)03**

Question Serial No.

S043

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (6) Travel and Tourism

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the large-scale MICE (Meetings, Incentive Travels, Conventions and Exhibitions) events to be held in 2012 as mentioned in Reply Serial No. CEDB(CIT)025 to Question Serial No. 1159, the Administration did not reply on the details of the manpower and expenditure involved. Can the Administration provide the relevant supplementary information? How will these events promote the local tourism industry?

Asked by: Hon. IP Wai-ming

Reply:

The Meetings and Exhibitions Hong Kong (MEHK) Office of the Hong Kong Tourism Board (HKTB) works closely with the Worldwide Offices and representative offices in the targeted markets of the HKTB to promote various large-scale conventions and exhibitions to be held in Hong Kong. In 2012-13, the MEHK has 31 staff in their local and overseas offices, and has budgeted \$49.4 million for MICE promotion. Since the MEHK will deploy resources flexibly in response to changing needs, and the majority of the publicity activities can simultaneously promote MICE tourism, there is no breakdown of expenditure figures on individual items.

MICE tourism is an important sector in the tourism industry and has made significant contribution to Hong Kong's economy. In 2011, there were 1.56 million overnight MICE visitors to Hong Kong, up by 9.3% over 2010. MICE visitors are usually high-spending visitors. According to provisional figures, the per-capita spending of overnight MICE visitors in 2011 was \$9,328, up by 10.0% over 2010 (\$8,475) and 27.2% higher than the overall figure of \$7,333 in 2011. Various



industries like tourism, hotel, aviation, retail, food and beverage, entertainment, etc. have been benefitted. We expect that MICE arrivals will increase by 11% to 1.73 million in 2012.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)04**

Question Serial No.

S044

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (6) Travel and Tourism

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

With regard to the issue of inadequate facilities, such as toilets, benches for tourists to rest upon and supporting road facilities, etc. at the existing tourist attractions as mentioned in Reply Serial No. CEDB(CIT)026 to Question Serial No. 1160, how many years and how much money will the Administration expect to spend on the enhancement of the existing tourist facilities?

Asked by: Hon. IP Wai-ming

Reply:

In the course of planning tourism projects, the Government will also look at the required supporting facilities. In addition, the Tourism Commission (TC) stays in close touch with relevant government departments and the tourism sector from time to time to review the supporting facilities provided in the tourist districts. Where necessary, we will contact and coordinate with the management agents of individual attractions and relevant departments for suitable improvement and follow up actions, with a view to ensuring the provision of suitable and sufficient supporting facilities for visitors.

Taking one of Hong Kong's tourist hotspots, the Avenue of Stars (AoS) in Tsim Sha Tsui (TST), as an example, TC together with the Leisure and Cultural Services Department (LCSD) earlier liaised with the Hong Kong Tourism Board (HKTB) and AoS Management Company Limited to explore suitable measures to further improve the facilities there. Among other measures, LCSD will consider providing additional resting facilities in the vicinity of the AoS, such as along the TST Promenade. In addition, TC, in conjunction with the Transport Department (TD) and the Hong Kong Police Force, have been exploring with the tourism sector possible options for enhancement of coach parking facilities in TST, including the provision of additional coach parking spaces and loading/unloading areas as long as traffic flow will not be affected. TD already provided seven additional roadside coach parking meters in TST by the end of 2011. Separately, TC together with relevant departments, the HKTB and the tourism sector, etc., will keep in view and examine the

provision of other supporting facilities, such as toilets and visitor signage, etc., and carry out suitable improvement where necessary. The above arrangements for review and enhancement of supporting facilities are part of the day-to-day duties of the departments concerned. The cost involved has been subsumed into the operating expenditure of the respective departments, and it is difficult to quantify the amount separately.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

Examination of Estimates of Expenditure 2012-13  
**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

Reply Serial No.

**S-CEDB(CIT)05**

Question Serial No.

S045

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (6) Travel and Tourism

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

In its Reply Serial No. CEDB(CIT)144 to Question Serial No. 2200, the Administration advised that tourism facility projects had been undertaken in the Central and Western District, the Peak and the Stanley Waterfront. What were the expenses and manpower involved in each of these projects? For the tourism project in Aberdeen, what is the expected date of completion? What subsequent publicity work will the Administration conduct?

Asked by: Hon. IP Wai-ming

Reply:

Up to 2008-09, the expenditure for the Central and Western District Enhancement Scheme and the Stanley Waterfront Improvement Project was \$37.6 million and \$69.0 million respectively. As for the Peak Improvement Scheme, the expenditure for the works was \$54.4 million up to 2010-11. The staffing of the above projects has been subsumed into the establishment of the relevant departments, and it is difficult to quantify the amount separately.

The Aberdeen Tourism Project will be completed in phases between 2012 and 2014. Upon the completion of the improvement works for the promenade on both sides of the Aberdeen Harbour, as well as Ap Lei Chau Main Street, the Hong Kong Tourism Board (HKTB) will bundle the attractions and other points of interest in the district into a walking route, and promote it to visitors via channels such as the HKTB website and Visitor Centres.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Permanent Secretary for Commerce  
and Economic Development

Post Title: (Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)06**

Question Serial No.

S046

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (6) Travel and Tourism

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Earlier on, the Government opened up the Sha Tau Kok Frontier. Does the Administration have any plans or improvement measures to expand its tourism projects by upgrading the tourism facilities? If yes, what are the details and expenditures involved? If no, what are the reasons?

Asked by: Hon. IP Wai-ming

Reply:

The Security Bureau announced in January 2008 that the coverage of the Frontier Closed Area (FCA) could be substantially reduced from about 2 800 hectares to about 400 hectares. In order to implement the reduced coverage of the FCA while maintaining the integrity of the boundary and effective management of the reduced FCA, the Administration has to construct a secondary boundary fence along the entire boundary patrol road, from Mai Po in the west to Sha Tau Kok in the east. The construction works have been divided into four sections. The construction of the Mai Po to the Lok Ma Chau Control Point Section and Lin Ma Hang to Sha Tau Kok Section have been completed and the first stage of FCA reduction has been implemented since 15 February 2012. More than 740 hectares of land has been excised from the FCA for public access.

To tie in with the reduction of the Sha Tau Kok FCA, the Highways Department (HyD) provides turnaround facility near Sha Tau Kok Road and Sha Ho Road for those vehicles barred from the FCA to leave the new FCA. The project is being implemented in phases and will be completed in end April 2012. The HyD has earmarked \$3.96 million under Head 706 Subhead 6100TX "Highway works, studies and investigations for items in Category D of the Public Works Programme" for the project.

According to the Planning Department, for the area south of Tong To Village extending to the bank of Sha Tau Kok Hoi, about 11.35 hectares of land has been zoned "Recreation". It is intended primarily for recreational development for the use of the general public. It encourages the development of active and/or passive recreation and tourism/eco-tourism. Uses in support of the

recreational developments may be permitted subject to planning permission from the Town Planning Board.

Taking into account the planning and development of tourism and ancillary facilities in the Sha Tau Kok frontier area, the Hong Kong Tourism Board (HKTB) will work with the travel trade to examine the feasibility of promoting the area to visitors in target markets, as well as developing related tourism products. The HKTB will carry out the above work with existing resources. No additional expenses will be incurred.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)07**

Question Serial No.

S064

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Mr Benjamin Chau, Deputy Executive Director of the Hong Kong Trade Development Council (HKTDC), had said that “one show, two locations” was not feasible due to the incompatibility of time slots. However, the “one show, two venues” approach is still mentioned in the Reply (Serial no. CEDB(CIT)066). Has the Administration examined the feasibility of this approach? Is there a dissent in views between the Administration and the HKTDC?

Asked by: Hon. LAU Wai-hing, Emily

Reply:

The Government has been encouraging the Hong Kong Trade Development Council (TDC) and other exhibition organisers to better utilise the existing exhibition and convention facilities by adopting the “one show, two venues” or the “two shows, two venues” approach. However, in order to successfully organise a show using these approaches, the venues and exhibition organisers are required to work closely together during the process. It would be easier to implement if the show concerned belong to the same exhibition organiser. A good example is the Hong Kong Jewellery and Gem Fair, which has been held concurrently at the Hong Kong Convention and Exhibition Centre (HKCEC) and AsiaWorld-Expo (AWE) since September 2009. The exhibition organisers will decide how the show should be organised and its mode of operation based on the need and requests of their clients and business partners and this is a commercial decision. The Government will continue to offer assistance as appropriate in areas such as transport arrangements, to encourage more exhibition organisers to adopt the “one show, two venues” approach in their shows.

At the encouragement of the government, the TDC has been actively exploring the feasibility of the “one show, two venues” approach. There are, however, three conditions to meet before the TDC can adopt this approach, namely (1) a substantial unmet demand for exhibition space at the HKCEC; (2) the availability of exhibition space at the same time slot at the AWE; and (3) the views of the

exhibitors and buyers. In fact, only three TDC shows, with an unmet demand for exhibition space, have the potential to adopt this approach. However, the periods concerned fall on the peak seasons of the exhibition industry when the AWE is almost full and could not accept the TDC's bookings. Although it is unlikely that the TDC can adopt this approach in staging trade shows in the short term, it will continue to explore other suitable shows at the AWE. For example, the TDC co-organised the Better Living Expo with a private exhibition organiser, the Paper Communication Exhibition Services, at the AWE while at the same time it organised the Book Fair at the HKCEC in July 2011. Shuttle bus services between the AWE and the HKCEC were provided during the exhibition period to provide direct connectivity between the two venues. The services were well received by visitors to the shows.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Permanent Secretary for Commerce  
and Economic Development

Post Title: (Commerce, Industry and Tourism)

Date: 20.3.2012



**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)08**

Question Serial No.

S065

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

The Hong Kong Convention and Exhibition Centre needs expansion to meet the demand while the utilisation rate of the AsiaWorld-Expo is not satisfactory. Did the Administration explore the reasons behind and work out any solutions to it?

Asked by: Hon. LAU Wai-hing, Emily

Reply:

Since the Hong Kong Convention and Exhibition Centre (HKCEC) was established much earlier and its location more convenient than that of the AsiaWorld-Expo (AWE), the HKCEC has always enjoyed a higher utilisation rate. While the HKCEC has been operating for over 23 years, the AWE has only been established for about six years and still needs more time to build up its customer base and business. To improve the utilisation of the AWE, the Government has asked the Hong Kong Trade Development Council (TDC) to develop more exhibitions at the AWE and to expand its existing exhibitions to the AWE by adopting the “one show, two venues” or “two shows, two venues” approach. The Government has also encouraged and assisted other exhibition organisers to stage events at the AWE. Moreover, the Government will continue to review the public transport services for the AWE with the management company of the AWE and public transport operators to ensure that the public is provided with adequate and convenient public transport services. With the joint efforts of the Government, TDC and the management company of the AWE, the general public is now much more familiar with the AWE as compared to a couple

of years ago. The number of exhibitions and conferences held at the AWE has increased by 13% in 2010-11.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)09**

Question Serial No.

S066

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

Programme: (2) Commerce and Industry

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Would the Administration give a comparison of the respective rentals paid by the Hong Kong Trade Development Council and other fair organisers for hiring a venue in the Hong Kong Convention and Exhibition Centre? Is the TDC given priority in hiring such venue?

Asked by: Hon. LAU Wai-hing, Emily

Reply:

The Hong Kong Trade Development Council is required to pay the same rent as other exhibition organisers at the Hong Kong Convention and Exhibition Centre (HKCEC). It has not enjoyed any priority not available to other exhibition organisers when booking a venue at the HKCEC.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)10**

Question Serial No.

S050

Head: 152 Government Secretariat: Subhead (No. & title):  
Commerce and Economic  
Development Bureau (Commerce,  
Industry and Tourism Branch)

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

Controlling Officer: Permanent Secretary for Commerce and Economic Development  
(Commerce, Industry and Tourism)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

- (a) According to Reply Serial No. CEDB(CIT)119, of the 97 cases prosecuted under the Trade Descriptions Ordinance (false trade descriptions) in 2011, only 55 were convicted. What is the reason for the lower rate of conviction as compared with the numbers in 2009 (10 prosecutions, 7 convicted) and 2010 (66 prosecutions, 65 convicted)?
- (b) Regarding the Administration's enforcement actions to curb unfair trade practices, are there any specific plans and enforcement targets for 2012-13? If so, please list out the specific details and the trades or parties to be targeted for enforcement action.

Asked by: Hon. WONG Kwok-hing

Reply:

- (a) As prosecutions take time to complete, some cases for which prosecution commences in a certain year may be concluded in the year following. Of the cases for which prosecution were started in 2011, 50 were convicted in 2011, while another 38 were concluded and convicted in January to February 2012. The proceedings for the remaining nine cases are in progress. Detailed figures can be found in the table below:-

Number of cases	2009	2010	2011
Prosecutions	10	66	97
Convictions (Year of conviction)	6 (2009) 4 (2010)	61 (2010) 5 (2011)	50 (2011) 38 (2012) (Prosecution of nine cases in progress)

- (b) A number of the traders applying unfair trade practices targetting consumers are shops selling ginseng and dried seafood, audio-visual or electronic products. To tackle these unscrupulous practices, the Customs and Excise Department (C&ED) conducts strategic patrols on a regular basis. During shopping seasons (such as long holidays in the Mainland), C&ED deploys additional resources to step up patrol inspections against shops in popular shopping and tourist areas. C&ED also conducts undercover operations wherever appropriate. In addition, the Department has established a Quick Response Team, which is on call 24 hours, to handle urgent complaints in relation to suspected contravention of the Trade Descriptions Ordinance. The Department also joins hands with the Police to conduct large-scale operations to combat unscrupulous traders. These efforts will continue.

Signature: \_\_\_\_\_

Name in block letters: Andrew HY WONG

Post Title: Permanent Secretary for Commerce  
and Economic Development  
(Commerce, Industry and Tourism)

Date: 20.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY QUESTION**

**S-CEDB(CIT)11**

Question Serial No.

S047

Head: 31 Customs and Excise Department      Subhead (No. & title):  
Programme: (3) Intellectual Property Rights and Consumer Protection  
Controlling Officer: Commissioner of Customs and Excise  
Director of Bureau: Secretary for Commerce and Economic Development

Question:

- a. With reference to reply serial no. CEDB(CIT)137, would the authorities please advise on the number of investigations carried out by the Department in respect of false trade descriptions and mis-statements on Internet trading platforms, as well as the numbers of online surveillance, evidence collection and undercover enforcement operations proactively conducted by the Department in the past 3 years?
- b. Are there dedicated staff members / groups in the Department currently responsible for the monitoring and enforcement of laws relating to false trade descriptions and mis-statements on Internet trading platforms? If so, please list the manpower and annual expenditure involved. If not, would the authorities consider setting up a dedicated group to tackle these Internet crimes?

Asked by: Hon. PAN Pey-chyou

Reply:

- a. The numbers of investigations carried out by the Customs and Excise Department in respect of suspected false trade descriptions and mis-statements on the Internet in the past 3 years are as follows:

Year	2009 (March to December) <sup>Note</sup>	2010	2011
Number of investigations	8	8	10

<sup>Note</sup> The Trade Descriptions Ordinance was amended in 2008 with new provisions added to prohibit several specific forms of behaviours (e.g. false or misleading price indications). Therefore, the above table shows only the enforcement figures after the commencement of these amendments with effect from March 2009.

The Department has included monitoring and investigation in respect of false trade descriptions and mis-statements on the Internet in its day-to-day work. Therefore, there are no separate statistics on online surveillance, evidence collection and undercover operations.

b. The Department proactively carries out follow-up actions on illegal acts occurred in different sales channels. We strive to tackle unfair trade practices such as false trade descriptions and mis-statements through information collection and intelligence analysis. As the staff responsible for online surveillance and enforcement also have to handle other issues, it is difficult to work out the manpower and expenditure involved separately.

Signature: \_\_\_\_\_

Name in block letters: Clement Cheung

Post Title: Commissioner of Customs and Excise

Date: 15.3.2012

**CONTROLLING OFFICER'S REPLY TO  
SUPPLEMENTARY WRITTEN QUESTION**

**S-CEDB(CIT)12**

Question Serial No.

S048

Head: 78 Intellectual Property Department      Subhead (No. & title):

Programme:                    (1) Statutory Functions

Controlling Officer: Director of Intellectual Property

Director of Bureau: Secretary for Commerce and Economic Development

Question:

- (a) In Reply Serial No. CEDB(CIT)149, the Department stated that there was an upward trend in the number of patent applications. Has the Administration allocated more resources for providing manpower, complementary measures, efficient and convenient service, etc., to cope with the increase in applications? If yes, what are the details and what is the amount of the relevant expenditure?
- (b) There is a lack of manpower in patent processing and examination in Hong Kong. Does the Administration plan to strengthen the training of personnel and the enhancement of skills with a view to facilitating the future development of patent industry in Hong Kong? If yes, what are the details?
- (c) The Administration conducted a review on the patent examination system in Hong Kong earlier on, and would announce the proposed way forward in the first half of 2012. Does the expenditure in the Department's estimate for the coming year include the expenditure related to the review and the preliminary work after the announcement of proposals? If yes, what is the estimated amount?

Asked by: Hon. PAN Pey-chyou

Reply:

- (a) In the second half of 2011, the number of applications for standard patent saw a substantive increase. The upward trend persisted in early 2012. During 2011-12, the Patents Registry under the Intellectual Property Department has coped with the increase in caseload mainly through business process management and staff redeployment. The department will keep the situation and manpower needs under monitoring.
- (b) As pointed out in part (a), the department will closely monitor the situation and manpower needs having regard to the number of standard patent applications. As in the past, we will send staff to participate in patent-related training programmes or seminars with a view to enhancing their professional knowledge.



We are currently engaged in reviewing the patent system in Hong Kong. Regarding how to meet the manpower demands in Hong Kong for the further development of patent-related business, we consider it more appropriate to examine this subject at a later stage since the outcome of the review is yet to take shape.

- (c) Apart from using existing resources and manpower, we have since late 2011 employed two non-civil service contract solicitors to help handle the extra work generated by the review exercise. The expenditure to be incurred in 2012-13 is around \$1.27 million. On our review of the patent system in Hong Kong, we are now examining the views received and intend to announce the proposed way forward in the first half of 2012. Since the outcome of the review is not yet known, it would be difficult for us to estimate at this stage the resource requirements beyond that. We will examine the financial resources and manpower requirements for the next stage of our work at an opportune time.

Signature: \_\_\_\_\_

Name in block letters: CHEUNG KAM-FAI, PETER

Post Title: Director of Intellectual Property

Date: 16.3.2012