

# Press Review Hong Kong

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## Switzerland

### Singapore to scrutinise Credit Suisse, others amid massive money laundering probe

The Swiss lender is among the banks Singapore's central bank plans to inspect to determine if they properly handled the monitoring of wealthy clients. Officials from the regulator are set to interview personnel and review documents within weeks, the people said, asking not to be identified as the information isn't public. [SCMP](#) Oct 18

### Swiss Re: falling Covid-19 claims boosts earnings, targets bigger presence in GBA

Swiss Re, the world's second-largest reinsurer, is benefiting from lower claims associated with Covid-19 health coverage after a steep decline in death tolls, and sees the fast-growing Greater Bay Area as an area to expand its presence in the region, a senior executive said. [SCMP](#) Oct 15

### Lufthansa will restore flights to pre-pandemic levels, SWISS resume daily flights from ZRH to HKG

Europe's largest airline, Lufthansa, will restore the number of flights to Hong Kong to pre-pandemic levels from the second quarter of next year, in another sign of the city's path to recovery. Swiss International will add one more flight from Zurich to Hong Kong from October 29, making it a daily service. [SCMP](#) Oct 15

## Foreign Policy / International Relations

### US senates reintroduces bill to defend Hong Kong internet freedom

The Safeguarding Internet Freedom in Hong Kong Act was reintroduced to the US congress on 25 October, the same day when Chief Executive John Lee announced a timeline for cybersecurity legislation. First introduced in 2021, the bipartisan bill would enable the US Department of State to develop firewall circumnavigation tools and boost resources to ensure people in Hong Kong can access the internet and share information without restrictions or censorship. [CFHK](#) Oct 25

### CE eyes stronger HK-ASEAN ties, plans to visit Europe

Speaking to the press ahead of his weekly ExCo meeting, Chief Executive John Lee stressed Hong Kong's full commitment to strengthen ties with Southeast Asian countries. In his meeting with Thai Prime Minister Srettha Thavisin on 9 October, Lee thanked Thailand for backing HK's attempt to join the Regional Comprehensive Economic Partnership. Lee added that his administration would endeavour to step up its work on economic, trade and investment activities with Asean countries. Meanwhile, to the press in Beijing after the Belt and Road Forum for International Cooperation hosted by Chinese President Xi Jinping, [Chief Executive John Lee](#) called future visits to Southeast Asia countries a priority. He added that he has plans for trips to the Middle East and Europe. 'Europe is undoubtedly an important market and we have always placed great emphasis on trade with Europe,' Lee said. 'In the last year, I have communicated frequently with the Consuls-General of European countries in Hong Kong and the EU representative on various occasions. We share common aspirations on jointly developing our economies and exploring trade opportunities. [Standard1](#) [AP](#) [Standard2](#) Oct 10 & 20

### China hands tied on EU's trade measures

A SCMP opinion noted that the EU has been taking measures to level the playing field with China and its unfair trade practices. However, since China was already embroiled in geopolitical tensions with other great powers, it might be 'more cooperative in negotiations with the EU.' [SCMP](#) Oct 15

### EU urged to remove HK from tax cooperation watch list

The government [gazetted](#) on Friday the Inland Revenue (Amendment) (Taxation on Foreign-sourced Disposal Gains) Bill, which will be brought to the Legislative Council on 18 October. A spokesperson said that HK has been working closely with the EU and other international organisations in countering cross-border tax avoidance. HK has been kept on the EU's watch list on tax cooperation since 2021. The bill is expected to bring Hong Kong's tax regime in line with the latest requirement of the Guidance on Foreign Source Income Exemption Regimes updated by the EU in December 2022. [ISD](#) Oct 11

## Mainland

### HK, Beijing pledge billions for B&R investment platform

The [Hong Kong Monetary Authority](#) and the state-backed Silk Road Fund signed on 19 October a contract in Beijing to set up an investment platform for Belt and Road countries. The two parties will jointly contribute no more than RMB15 billion (EUR1.95 billion), and the first phase will focus on projects in areas such as energy transition and infrastructure and explore investment opportunities with themes related to environmental, social and governance. [SCMP](#) Oct 19

### Hong Kong marks China's National Day with displays of patriotism, pyrotechnics

1 October marked Hong Kong's first National Day holiday after a four-year hiatus from Covid-19 restrictions. Crowds were allowed to gather again and fireworks lit up Victoria Harbour. Thousands of mainland Chinese visitors also flocked to Hong Kong for the National Day celebrations. [HKFP](#) [HKFP2](#) Oct 1

## Domestic Policy / Politics / Law

### Hong Kong Government offers alternative reading to global rule of law index

HK's ranking on the [World Justice Project Rule of Law Index](#) has fallen for the third consecutive year, dropping to 23rd among 142 regions from 16th in 2020. The city has also experienced the most significant decline in constraints on government powers over the past three years, from 31 in 2020 to 59 this year. In response to media enquiries, a [government spokesperson](#) insisted that 'HK remains high in the overall ranking, ahead of some European and American countries which often unreasonably criticise the rule of law and human rights situation of HK.' The spokesperson did not specify which countries they were referring to. [Standard](#) Oct 26

### Google rejects police request to deshelve 'seditious' Jimmy Lai documentary

A [Google's transparency report](#) revealed that the Hong Kong government has filed 72 requests to remove content within the first half of 2023, another hike of requests since 2019. The content of concerns included YouTube videos of 'The Hong Konger', a free-to-view documentary about the imprisoned media mogul Jimmy Lai, and protest anthem 'Glory to HK'. In his Policy Address on 25 October, Chief Executive John Lee said his administration would table a cybersecurity bill to the legislature within 2024. [HKFP](#) Oct 26

### High court upholds equal housing rights for same-sex couples

The [Court of Appeal](#) rejected two appeals from the Housing Authority and upheld the rights for same-sex couples to apply for public housing and live together in subsidised flats under the Home Ownership Scheme. The High Court's Court of First Instance in 2020 ruled that the authorities' denial of same-sex couples who married overseas from the provision of public or subsidised housing 'constituted unjustified discrimination'. The first case was filed by Nick Infinger who married his husband in Canada and returned to apply for a public housing unit in the ordinary families category. The second case was filed by late Edgar Ng and his husband Henry Li, who were barred from buying a subsidised flat as a couple as the authority said that they didn't fall within the definition of 'family members' and 'spouses.' [SCMP](#) Oct 17

### Even fewer democrats to try run in local elections

The Democratic Party has fielded six candidates, instead of eight as earlier reported, for the upcoming District Council elections on 10 December. Five of the six, including chairperson Lo Kin-hei and vice-chair Bonnie Ng, had resigned when district councillors were required to pledge allegiance in 2021. Citing anonymous sources familiar with the matter, a Ming Pao column wrote that Beijing would bar any democrats from running, since the district council has changed its function from being a body overseeing local policies to an extended arm of administration. Meanwhile, the city's largest party DAB said they have lined up more than 100 pro-Beijing hopefuls to run for the elected and appointed seats. [SCMP](#) Oct 15

### 3.62% pay rises for judges, judicial officers

The [Executive Council](#) has approved the salaries of close to 200 judges and judicial officers to be increased by 3.62%, with the adjustment to take retrospective effect from 1 April. The hikes were recommended by the [Standing Committee on Judicial Salaries and Conditions of Service](#), which noted the mounting pressure faced by the high court due to NSL cases. It added that cases relating to the 2019 protests, which often involved a large number of defendants and lengthy trials, have presented major challenge to the district court. The proposed pay hikes will seek approval from the 'patriots-only' legislature. [Standard](#) Oct 12

## Economy

### Corporate retreat from Hong Kong is accelerating

The number of U.S. companies operating in the city has fallen for four years in a row, by Hong Kong's count, hitting 1'258 in June 2022, the fewest since 2004. Last year, mainland Chinese companies with regional headquarters in Hong Kong outnumbered American ones for the first time in at least three decades. Meanwhile, there was a report that the proportion of mainland Chinese academics at the city's public universities rose to 35% last year, up from about 24% in 2017. [WSJ FT](#) Oct 24

### Hong Kong's jobless rate stays low at 2.8 percent

Hong Kong's latest unemployment rate stood at 2.8% – unchanged from the June-to-August period – and remaining at its lowest level in four years. The underemployment rate also remained unchanged from the previous three-month period at one percent. In a statement, the government said the jobless rates of various sectors generally stayed low from July to September. "The continued growth of consumption-and tourism-related activities would continue to support the labour market," labour minister Chris Sun said. [RTHK](#) Oct 19

### Hong Kong employees get highest salary increases in Greater Bay Area this year

HK pay increases ranged from 3.2 to 3.8%, higher than Macau at between 1.9 and 2.7%, but financial hub also had high staff turnover. Experts say figures are down to mainland China being harder hit by pandemic than HK, which was 'pretty resilient in terms of economic activity'. [SCMP](#) Oct 18

### **HK's MPF poised for unprecedented third year of losses after last quarter wipes all 2023 gains**

MPF suffered an investment loss of HKD35.2 billion (USD4.5 billion) in the third quarter that wiped all gains made in the first half of the year. 'If this trend continues, it will result in an unprecedented third consecutive year of investment losses', independent research company MPF Ratings' chairman says. [SCMP](#) Oct 5

### **More than 30 companies to invest HKD30 billion in Hong Kong to help 'spur city's rise' as I&T hub**

More than 30 foreign and mainland Chinese companies have pledged to invest about HKD30 billion (USD3.83 billion) in Hong Kong, which the city's leader said would "help spur the city's rise" as a global centre for innovation and technology (I&T). The investment was expected to create about 10'000 jobs, most of them based in the Northern Metropolis development area, which would take shape along the border with Shenzhen, the government on Wednesday said. [SCMP](#) Oct 4

## **Society / Culture / Education**

### **Court rules in favour of same-sex couples' equal inheritance rights following government appeal**

A Hong Kong court has ruled in favour of same-sex couples' equal inheritance rights following a government appeal, marking yet another victory for the city's LGBTQ community. The latest development followed recent rulings where the court decided that the government has to recognise same-sex partnerships and it was unconstitutional for the government to discriminate same-sex couples married overseas in public housing schemes. [HKFP](#) [RTHK](#) Oct 24

### **4 months in jail for receiving parcel of 'seditious' children's books**

Kurt Leung, 38, was sentenced to four months in jail after he pleaded guilty to bringing 18 children's books about sheep and wolves – the first conviction of importing seditious publications since the NSL took effect three years ago. Chief Magistrate Victor So agreed that Leung did not play a key role in breach of the colonial-era Crimes Ordinance, but said the offence involved international elements and might encourage others living overseas to continue publishing articles that posed a danger to Beijing. [SCMP](#) [HKCourtNews](#) Oct 6

## **Macau**

### **Trio of trade fairs attract over 60'000 visitors**

The four-day 1st China-Portuguese-speaking Countries Economic and Trade Expo, the 28th Macao International Trade and Investment Fair and the Macao Franchise Expo 2023 drew to a close on Sunday. The organiser noted that 101 contracts were signed, an 8.6% increase compared to 2022. Among these contracts, 15% of the projects involved Portuguese-speaking countries. [Macao Business](#) Oct 23

### **CE makes first remarks on residency for Portuguese**

Chief Executive Ho Iat-seng said that Macao and Lisbon hold different views on whether Portuguese citizens will get Macao resident ID immediately upon arrival and whether they will obtain permanent residency after seven years. The omission of previous special provisions for Portuguese citizens in a new law on talent recruitment would not affect their visa applications, Ho added. Figures in recent months have shown a steep dip in the number of Portuguese citizens granted residency in the territory however. [AAMacau](#) [Macao News](#) Oct 6

## **Special Focus: Policy Address**

Chief Executive John Lee delivered his second Policy Address on 25 October. His 3.5-hour presentation covered a wide array of topics ranging from national security, to housing, population, education, and economy. Here are some key highlights as reported by the local press:

### **Hong Kong leader focuses on economy and security in policy address**

Hong Kong's leader focused on bolstering the property market and stabilizing the ailing economy in his annual policy blueprint, while confirming new national security laws would be enacted next year to counter meddling by "external forces". Chief Executive John Lee said Hong Kong's economy, which contracted 3.5% last year, would "resume growth this year" as inbound tourism and consumption improved, and unemployment fell. Hong Kong's economy grew 2.2% in the first half of the year, and is expected to grow four percent this year. Lee noted, however that the external environment remains challenging given interest rate hikes in some advanced economies, with Hong Kong investment and asset markets "negatively impacted." [Reuters](#) Oct 25

### **Article 23 to pass in 2024**

Lee announced that the highly controversial Article 23 will be legislated within 2024. Under the Basic Law, Hong Kong was supposed to make its own law to combat seven national security-related offences, including treason and espionage. In the press conference, only one out of the eight media outlets allowed to ask questions (three of them being state-affiliated outlets) followed up on the topic. In response, [Lee](#) stressed his administration's priorities to fulfil its constitutional duty and attributed the failed enactment back in 2003 to people's lack of proper understanding of the legislation. Top government advisor Regina Ip, who stepped down as security chief in 2003 when her push for Article 23 sparked widespread public outcry, welcomed

the latest legislation timeline. She added that Macao had already passed the equivalent bill in 2009. [HKFP InMedia](#) Oct 25 & 26

### **Stamp duty cut (property tax), economic policies dominate front pages**

Lee's strategies to revive the economy have been brought to the forefront in local media. However, the measures, especially the stamp duty cut in bid to rejuvenate the property market, were met with mixed reactions from the industry and scholars. Real estate services providers Colliers and JLL expected the relaxation of the so-called 'spicy' property policies, which had been implemented since 2010 to cool down the overheating property market, to have limited impact. They added that the new measures were unlikely to reverse the downward trend of home prices. [SCMP RTHK](#) Oct 25

### **HK to relax visa rules for Vietnam, expand talent schemes to include country, Laos and Nepal**

Hong Kong would relax requirements for Vietnamese visitors applying for a multi-entry visa for business and travel with immediate effect. According to a government source, the multiple-entry visa will allow Vietnamese travelers to visit the city for a maximum of 14 days each time over a two-year period. To be eligible, travelers must have visited two or more countries at least three times in the past three years or have studied, worked or received training in Hong Kong in the past two years, the source said. [SCMP](#) Oct 26

### **HKD20'000 handout for new parents to boost city's record-low birth rate**

Hong Kong is to offer parents a one-off HKD20'000 (USD2'500) bonus to encourage them to have children amid the city's falling birth rate. Hong Kong's fertility rate has fallen to record lows in recent years. It was 0.77 in 2021, down from 1.29 in 2012, according to official figures. People are also marrying later in life. The population policy was the one topic raised in the Policy Address that has attracted widespread public attention, though not much acclaim. However, a number of local couples have told reporters that they did not find the incentives attractive enough as the cost of raising children in the city remained high.

[HKFP SCMP](#) Oct 25 & 26

### **Comments - Public less satisfied by leader John Lee's speech than last year**

Lee's second Policy Address has scored 44.4 on a 100-point scale, down almost seven points from his first address last year, according to an instant survey conducted by the independent Hong Kong Public Opinion Research Institute. 'The results show that people's appraisal of this Policy Address is somewhat worse than that in last year,' a [statement](#) of the pollster said. Lee's own support rating, meanwhile, stands at 49.7 marks out of 100, down from his rating of 52.6 last month. [HKFP](#) Oct 27

### **Comments - Market not invigorated by stock tax cut**

Hong Kong is set to lower the stamp duty rate on stock transactions – payable by buyer and seller – to 0.1% from 0.13%, restoring the city's status as one of the world's cheapest markets for buying and selling equities. The Hang Seng Index fell to 17'173 from 17'421 immediately after the delivery of policy address, then further below the key 17'000 point level to 16'990 during his morning LegCo Q&A session the next day. When asked if further reduction is possible, Financial Secretary Paul Chan said on 26 October that the trading volumes of stocks could not be simulated solely by one measure alone as multiple factors including the expected return on investment and geopolitical situations would be at play. Of note, Chan forecasted a higher-than-expected deficit of HKD54.4 billion (USD7 billion) due to shrinking revenue from the latest measures in the Policy Address including the stamp duty cut and land sales. [SCMP](#) Oct 25

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