

## **Calendar of Events of Significance for the Hong Kong Economy in 2015**

- 5 Jan The Government announced the tendering of ten-year Government Bonds, totalling \$2 billion, through the re-opening of an existing ten-year Government Bond issue under the Institutional Bond Issuance Programme of the Government Bond Programme.
- 7 Jan The Government officially commenced the “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” to update the territorial development strategy, and examine the strategies and feasible options for the overall spatial planning, land and infrastructure developments for Hong Kong in the long run.
- 14 Jan The Chief Executive (CE) presented the 2015 Policy Address, unveiling measures to develop the economy, increase housing supply and harness the potential of Hong Kong people, alongside other initiatives in poverty alleviation, elderly care, environmental protection, health care, education and youth development. They included:
- (a) submitting proposals to complement the National 13th Five-Year Plan and liaising with Guangdong for favourable treatment and opportunities for Hong Kong people and enterprises in the planning and development of Nansha, Qianhai and Hengqin;
  - (b) preparing for establishment of the Insurance Authority (IA) to promote the development of the insurance industry;
  - (c) enhancing the functions of the Hong Kong Maritime Industry Council and supporting the Airport Authority (AA) to implement the three-runway system project;
  - (d) increasing the number of Economic and Trade Offices (ETOs) in Asia to help businesses and investors tap Asian markets;
  - (e) injecting \$5 billion into the Innovation and Technology Fund and setting up an Enterprise Support Scheme to enhance funding support for private sector research and department projects;
  - (f) setting the total housing supply target for the coming decade at 480 000 units;
  - (g) introducing further plans for the Low-income Working Family Allowance, involving annual expenditure of around \$3 billion, and earmarking \$200 million to extend the short-term food assistance service to end-2017;
  - (h) introducing a series of measures to unleash the potential of the local labour force and to recruit talent and professionals from outside Hong Kong;
  - (i) increasing the Statutory Minimum Wage (SMW) rate to \$32.5 per hour; and
  - (j) setting up a \$300 million Youth Development Fund to support innovative youth development activities, including assisting young people to start their own business.
- 16 Jan The Finance Committee of the Legislative Council (LegCo) approved the 2014-15 Civil Service Pay Adjustment. The adjustment rates ranged from 4.71% to 5.96%, and took retrospective effect from 1 April 2014.
- 19 – 20 Jan The Government and the Hong Kong Trade Development Council (HKTDC) co-organised the eighth Asian Financial Forum (AFF), a platform for high-level exchanges over financial and economic issues among professionals in the financial services industry. Carrying the theme “Asia: Sustainable Development in a World of Change”, AFF attracted a record audience of some 2 600 from 39 countries and regions.
- 21 Jan The Mandatory Provident Fund Schemes (Amendment) Bill 2014, which sought to

enhance the Mandatory Provident Fund (MPF) system by providing more flexible arrangements for scheme members to withdraw their accrued benefits and for promoting reduction in MPF fees, partially came into effect. Starting from 1 August 2015, MPF scheme members with terminal illness may choose to withdraw their accrued benefits early; and from 1 February 2016, scheme members may withdraw their accrued benefits in phases upon retirement and early retirement.

- 22 Jan The Chief Secretary for Administration (CS) and the Vice-Governor of Fujian Province co-chaired the First Hong Kong/Fujian Co-operation Conference in Fujian. At the meeting, the two sides reached consensus on enhancing co-operation in the economic, trade and financial areas. An agreement on strengthening economic and trade co-operation and another agreement on strengthening financial co-operation between the two sides were signed.
- 26 Jan The Government announced the tendering of five-year Government Bonds, totalling \$1.5 billion, under the Institutional Bond Issuance Programme of the Government Bond Programme.
- 27 Jan The Heritage Foundation and the Wall Street Journal released the 2015 Index of Economic Freedom. Hong Kong was ranked the freest economy in the world for the 21st consecutive year.
- The Hong Kong Monetary Authority (HKMA) announced the countercyclical capital buffer (CCyB) for Hong Kong, which would be 0.625% with effect from 1 January 2016. The CCyB is part of the Basel III regulatory capital framework and is being implemented in parallel by Basel Committee member jurisdictions worldwide. The CCyB is designed by the Basel Committee to increase the resilience of the banking sector in periods of excess credit growth.
- 6 Feb The Hong Kong Association of Banks and the Hong Kong Association of Restricted Licence Banks and Deposit-taking Companies launched the revised Code of Banking Practice (Code), which is endorsed by the HKMA. The Code provides a wider protection to customers and promotes good banking practices, for better alignment with international standards on financial consumer protection.
- 13 Feb The Stamp Duty (Amendment) Ordinance 2015 was gazetted and came into effect to implement the stamp duty waiver for the transfer of shares or units of all exchange traded funds.
- 25 Feb The Financial Secretary (FS) presented the Budget for the financial year 2015-16 to the LegCo, pledging to promoting the economy, diversifying development, optimising human resources and caring for people's livelihood.

In promoting the economy, FS put forward a series of measures to augment the competitiveness of Hong Kong's four pillar industries, helping enterprises to capitalise on opportunities brought about by Mainland's policy and explore new markets. In the meantime, the Budget reinforced the development of diversified new industries, including the launch of measures to promote the development of start-up companies, cultural and creative industries, as well as social enterprises. Besides, in view of the impacts brought by the Occupy Movement, the Budget proposed a range of targeted measures to support the affected sectors and to step up the promotion of Hong Kong so as to rebuild international investors' and tourists' confidence.

FS proposed to increase investment in people, and to strengthen the manpower training

on retail, construction and financial services industries, as well as providing more internship and exchange opportunities for young people, in order to optimise Hong Kong's overall manpower structure and quality to support social and economic developments.

In caring for people's livelihood, substantial resources were allocated for healthcare services, elderly services and environmental protection. In addition, FS put forward a package of relief measures to assist the grass-root and the middle class families, including extra allowance to recipients of the Comprehensive Social Security Assistance and other social security schemes, paying rent for public housing tenants, and the following measures:

- (a) reducing profits tax, salaries tax and tax under personal assessment for Year of Assessment 2014-15 by 75%, subject to a ceiling of \$20,000 per case;
- (b) waiving rates for the first two quarters of 2015-16, subject to a ceiling of \$2,500 per quarter for each rateable property; and
- (c) increasing the basic and additional child allowances from \$70,000 to \$100,000 from Year of Assessment 2015-16 onwards.

Besides, the Budget proposed measures to support small and medium-sized enterprises (SMEs) to cope with uncertainties in the economic environment.

Based on the Report of the Working Group on Long-Term Fiscal Planning, FS proposed several measures to ensure the sustainability of public finances in three main areas, namely containing expenditure, preserving the revenue base and saving up in a timely manner, in order to tackle the challenges brought by an ageing population and slower economic growth.

The 2014 Economic Background and 2015 Prospects were published along with the 2015-16 Budget. Hong Kong's real Gross Domestic Product (GDP) growth in 2015 was forecast to be 1-3%, while the headline and underlying Composite Consumer Price Index (CCPI) inflation rates were forecast to average 3.5% and 3% respectively.

26 Feb The Government announced the 2015-16 Land Sale Programme, which included 29 residential sites (capable of providing about 16 000 flats), four commercial/business sites and one hotel site.

27 Feb The HKMA introduced the seventh round of supervisory measures on property mortgage to strengthen banks' risk management and resilience.

The Employment (Amendment) Ordinance 2014 came into effect. The new legislation provides paternity leave as a new statutory benefit for working fathers. Eligible male employees are entitled to three days' paternity leave with pay around the time of their children's birth.

1 Mar The liberalisation measures of the Agreement between the Mainland and Hong Kong on Achieving Basic Liberalisation of Trade in Services in Guangdong under the Closer Economic Partnership Arrangement (CEPA) framework were implemented. Under the Agreement, the Mainland opens up 153 services trade sub-sectors to the Hong Kong services industry, accounting for 95.6% of all services trade sub-sectors, in Guangdong. The breadth and depth of liberalisation surpassed the previous measures for early and pilot implementation in Guangdong.

- 2 Mar The Government announced the tendering of three-year Government Bonds, totalling \$4.4 billion, through the re-opening of an existing five-year Government Bond issue under the Institutional Bond Issuance Programme of the Government Bond Programme.
- 11 Mar CS and the Vice-Governor of Guangdong Province co-chaired the 20th Working Meeting of the Hong Kong/Guangdong Co-operation Joint Conference in Guangzhou. The two sides agreed to implement the 2015 Work Plan of the Framework Agreement on Hong Kong/Guangdong Co-operation which covers 90 co-operation items in various areas, including liberalisation of trade in services, finance and professional services.
- 17 Mar The Government affirmed the need for the three-runway system at the Hong Kong International Airport (HKIA).
- 18 Mar The Government launched the revamped public sector information portal, “data.gov.hk”, to make available free online government information in digital formats. More than 5 000 datasets are available on the portal, covering policy areas such as environment, finance, weather and transport.
- 23 Mar The Working Group on Intellectual Property (IP) Trading, led by the Secretary for Commerce and Economic Development (SCED), released a report with 28 recommended measures to position and promote Hong Kong as the premier IP trading hub in the region.
- 27 Mar The Securities and Futures and Companies Legislation (Uncertificated Securities Market Amendment) Ordinance 2015 was gazetted to provide for a legal framework to enable the introduction of an uncertificated securities market regime.
- The Second Hong Kong - Malaysia Private Sector Dialogue on Offshore Renminbi (RMB) Business, facilitated by the HKMA and Bank Negara Malaysia, was held in Johor Bahru, Malaysia to foster closer collaboration between Hong Kong and Malaysia on the development of RMB business.
- 27 – 28 Mar CE attended the Boao Forum for Asia Annual Conference 2015 in Hainan.
- 29 Mar Sai Ying Pun Station of the West Island Line (WIL) was opened. The WIL was fully commissioned.
- 31 Mar The Environment Bureau (ENB) launched a three-month public consultation on the future development of the electricity market.
- 1 Apr The Government established the Steering Group on Financial Technologies (Fintech) with members drawn from the industry, research and development institutions, relevant policy bureaux and departments, as well as regulatory authorities to advise on how to develop and promote Hong Kong as a Fintech hub.
- The Hong Kong Special Administrative Region (HKSAR) Government and the Mainland signed the Fourth Protocol to the Arrangement for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income.
- The Government announced the tendering of five-year Government Bonds, totalling \$3.2 billion, through the re-opening of an existing five-year Government Bond issue under the Institutional Bond Issuance Programme of the Government Bond Programme.

- 8 – 11 Apr CE officiated at the opening ceremony of the ETO of the HKSAR Government in Wuhan. Afterwards, CE and the Mayor of Shanghai Municipal Government co-chaired the Third Plenary Session (the Session) of Hong Kong/Shanghai Economic and Trade Co-operation Conference in Shanghai. The two sides reviewed the outcome of co-operation and reached consensus on 27 co-operation initiatives covering various areas. The two sides also signed three co-operation agreements on finance, commerce and civil service exchange. FS also attended the Session and visited the Shanghai Disneyland project.
- 21 Apr The Government announced its new Industrial Estate policy to help promote smart production, attract high value-added technology industries as well as high value-added manufacturing processes.
- 23 Apr The Government announced the tendering of ten-year Government Bonds, totalling \$1.5 billion, through the re-opening of an existing ten-year Government Bond issue under the Institutional Bond Issuance Programme of the Government Bond Programme.
- 24 Apr The Government launched a two-month consultation exercise to gauge views on proposals to apply, with adaptations for Hong Kong, the new international standard promulgated by the Organisation for Economic Co-operation and Development on automatic exchange of financial account information in tax matters.
- The European Commission published its 17th annual report on Hong Kong, which continued to affirm the co-operation between the European Union (EU) and Hong Kong in areas including trade, investment, and dialogue on issues of mutual interest, as well as recognising Hong Kong’s strategic importance as a trading and investment partner for the EU.
- 25 – 26 Apr CE visited Kuala Lumpur, Malaysia and attended the 12th Association of Southeast Asian Nations (ASEAN) Leadership Forum hosted by the Asian Strategy and Leadership Institute. During the visit, CE conducted bilateral meetings with leaders of ASEAN member countries and met with representatives of Malaysia’s business sector.
- 30 Apr The Bankruptcy (Amendment) Bill 2015 was gazetted to introduce new arrangements under the Bankruptcy Ordinance (Cap. 6) to encourage bankrupts to fulfil their obligations in respect of the administration of bankruptcy estate by trustee-in-bankruptcy and to better protect the interests of creditors, and to address the constitutionality issues of certain provisions under the existing “abscondee regime”.
- The topping out ceremony of Hin Keng Station of the Shatin to Central Link (SCL) was held. Hin Keng Station was the first station under the SCL project with its structural works completed.
- 1 May The SMW rate was increased by 8.3% from \$30 to \$32.5 per hour.
- 4 May The Government implemented the pilot “Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents” and various enhancements to the admission arrangements for talent, professionals and entrepreneurs, with a view to recruiting and retaining more talent and professionals from outside Hong Kong.
- 6 May The Housing Authority endorsed the implementation details of the “Green Form Subsidised Home Ownership Pilot Scheme” (GSH). Subsequently, the public rental housing development at San Po Kong was selected for conversion to GSH.

- 14 May The ENB published the Energy Saving Plan for Hong Kong's Built Environment 2015~2025+ which was the first-ever energy saving blueprint for Hong Kong. It analysed energy use in Hong Kong and set a new target of reducing Hong Kong's energy intensity by 40% by 2025.
- The Ministry of Finance of the People's Republic of China announced the tendering in Hong Kong of a total of RMB12 billion RMB Sovereign Bonds of the Central People's Government with tenors ranging from 3 to 30 years.
- 15 May The Government released the preliminary GDP figures for the first quarter of 2015. The Hong Kong economy grew modestly by 2.1% year-on-year in real terms. Domestic demand remained the key source of growth, while external demand was still lacklustre. The slowdown in inbound tourism also posed a drag.
- In the May update of the economic forecast for 2015, the forecast growth rate in real terms of GDP was maintained at 1-3%. The forecast rates of headline and underlying CCPI inflation were revised downward to 3.2% and 2.7% respectively.
- Three pieces of subsidiary legislation made under the Securities and Futures (Amendment) Ordinance 2014 (Amendment Ordinance) were gazetted to implement the first stage of the over-the-counter (OTC) derivatives regulatory regime from 10 July 2015, under which mandatory reporting was introduced for certain interest rate swaps and non-deliverable forwards.
- 23 May Hong Kong and Canada announced the conclusion of negotiations of an Investment Promotion and Protection Agreement. The agreement will facilitate investment flows, benefitting the economic development of both places.
- 28 May Hong Kong was ranked the world's second most competitive economy by the Institute for Management Development World Competitiveness Yearbook 2015, up from the fourth place last year. Hong Kong attained the top rank in terms of government efficiency and business efficiency.
- The Government made a successful offering of its second issuance of sukuk, with an issuance size of US\$1 billion and a tenor of five years, under the Government Bond Programme. The success of the two issuances demonstrated not only the viability of sukuk issuance using Hong Kong's platform, but also the recognition among international investors of Hong Kong's economic fundamentals and financial structure.
- 6 Jun The topping out ceremony of Ho Man Tin Station of the Kwun Tong Line Extension (KTE) was held. After the commissioning of KTE and SCL, Ho Man Tin Station will be an integrated station providing convenient railway and interchange services for passengers travelling on the two railway lines.
- 9 Jun The HKMA conducted a seminar on "RMB Internationalisation: A New Era for Global Trade and Finance" in Toronto, Canada, to promote Hong Kong as a global hub for offshore RMB business.
- 19 Jun CE in Council approved the Kwu Tung North and Fanling North Outline Zoning Plans for the development of the New Development Areas (NDAs). The NDAs will be implemented as an extension of Fanling/Sheung Shui New Town, providing important sources of land supply to meet the medium- and long-term development needs of the territory.

- 25 Jun Hong Kong was ranked the world's second largest recipient of foreign direct investment flows in 2014 for the first time, according to the World Investment Report 2015 released by the United Nations Conference on Trade and Development.
- HKIA was named "Best Airport – Asia" at the "2015 Asian Freight, Logistics and Supply Chain Awards" organised by Asia Cargo News.
- 26 Jun FS visited Foshan to gain a better understanding of its latest developments.
- The Government released the consultation conclusions on the proposals to improve the regulatory regime for listed entity auditors. The proposed initiatives will bring Hong Kong's regime in line with international standards, offering benefits to the audit profession and the investing public, as well as reinforcing Hong Kong's status as an international financial centre and capital market.
- The Hong Kong Mortgage Corporation Limited (HKMC) announced a number of new enhancements to the Microfinance Scheme (MFS), including raising the aggregate lending amount cap from \$100 million to \$200 million, and extending the MFS for a further term of three years.
- 28 – 30 Jun FS attended the Signing Ceremony of the Articles of Agreement of the Asian Infrastructure Investment Bank (AIIB) and AIIB's special ministerial meeting in Beijing, as a member of the delegation of China.
- 1 Jul The Mutual Recognition of Funds (MRF) scheme, which allows qualified Mainland and Hong Kong funds to be offered directly to the public in each other's market after obtaining authorisation or approval under streamlined procedures, was launched. This followed the signing of a memorandum of regulatory co-operation on MRF between the Securities and Futures Commission (SFC) and the China Securities Regulatory Commission (CSRC).
- 9 Jul The Third Hong Kong - Australia Renminbi Trade and Investment Dialogue, facilitated by the HKMA, Australian Treasury and the Reserve Bank of Australia was held in Sydney, Australia to discuss the investment and funding opportunities associated with the internationalisation of the RMB.
- The HKMA announced the launch of a new cross border linkage with the Mainland by the Central Moneymarkets Unit Fund Order Routing and Settlement Service to provide order routing and settlement support to the Mainland - Hong Kong MRF initiative.
- 12 – 13 Jul CE visited Beijing to meet with relevant officials on the development of the "Belt and Road" Initiative.
- 16 Jul The Finance Committee of the LegCo approved the adjustments to the civil service pay scales arising from the 2013 Pay Level Survey on the civil service. The pay adjustments took retrospective effect from 1 October 2014.
- The topping out ceremony of Kai Tak Station of the SCL was held. Kai Tak Station was the second station under the SCL project with its structural works completed.
- 17 Jul FS and the Secretary for Economy and Finance of the Macao Special Administrative Region co-chaired the Eighth Hong Kong Macao Co-operation High Level Meeting in Hong Kong. At the meeting, the two sides reviewed and further discussed the co-operation in various matters including economic, financial and cross-boundary

infrastructure issues.

The Government increased the approved commitment for the SME Export Marketing Fund and the SME Development Fund from \$3.75 billion to \$5.25 billion, and implemented enhancement measures to both schemes by phase, with a view to enhancing the support to SMEs in increasing competitiveness and expanding export markets.

The Inland Revenue (Amendment) (No. 2) Ordinance 2015 was gazetted and came into operation to extend profits tax exemption for offshore funds to private equity funds. Offshore private equity funds are exempted from profits tax in respect of profits derived from specified transactions carried out from 1 April 2015 onwards.

The Insurance Companies (Amendment) Ordinance 2015 (IC(A)O) was gazetted. IC(A)O provides for the establishment of an independent IA to take over the functions of the Office of the Commissioner of Insurance and a statutory licensing regime for insurance intermediaries to replace the existing self-regulatory system. This would be conducive to the modernisation of regulatory infrastructure for the stable development of the insurance industry. To allow for smooth transition from the existing regulatory regime to the new regime to be administered by independent IA, IC(A)O will be implemented by three phases. The first batch of provisions came into force on 7 December 2015.

The Finance Committee of the LegCo approved the 2015-16 Civil Service Pay Adjustment. The adjustment rates ranged from 3.96% to 4.62%, and took retrospective effect from 1 April 2015.

21 – 23 Jul FS visited Fuzhou and Xiamen to strengthen Hong Kong's trade and economic ties with Fujian Province following the setting up of the Hong Kong/Fujian Co-operation Conference.

4 Aug HKIA was named the "Best International Airport for 2015" by Australian Business Traveller.

5 Aug The Government announced the subscription and allocation results of the fifth inflation-linked retail bond, or iBond, under the retail part of the Government Bond Programme with a final issue amount of \$10 billion and a tenor of three years. A total of 597 895 valid applications were received for a total of \$35.7 billion in principal amount of bonds.

12 Aug The pre-sale of the first batch of 2 160 new Home Ownership Scheme flats was completed with all the flats sold out.

14 Aug The Government released the preliminary GDP figures for the second quarter of 2015. The Hong Kong economy expanded by 2.8% year-on-year in real terms. Domestic demand exhibited much resilience, while the external sector remained weak.

In the August update of the economic forecast for 2015, the forecast growth rate in real terms of GDP was revised to 2-3%. The forecast rates of headline and underlying CCPI inflation were revised downward to 3.1% and 2.6% respectively.

23 – 28 Aug SCED visited Chile and Mexico to strengthen trade and investment ties with the emerging markets in Latin America. During the visit, Hong Kong and Mexico announced their shared intent to commence negotiations on an Investment Promotion and Protection Agreement in 2016.



- 9 Sep CE and the Governor of Guangdong Province co-chaired the 18th Plenary of the Hong Kong/Guangdong Co-operation Joint Conference in Hong Kong. At the meeting, the two sides reviewed the progress of Hong Kong/Guangdong co-operation over the past year and set directions for future co-operation, including taking forward the implementation of the “Belt and Road” Initiative and the development of the Guangdong Free Trade Pilot Zone, as well as co-operation in areas including liberalisation of trade in services, innovation and technology, and financial and professional services.
- 9 – 11 Sep FS attended the Asia-Pacific Economic Co-operation (APEC) Finance Ministers’ Meeting in Cebu, the Philippines.
- 14 Sep Hong Kong remained the freest economy in the world, according to the 2015 Annual Report on the Economic Freedom of the World, jointly released by the Fraser Institute of Canada and the CATO Institute in the US.
- 15 Sep The HKMC launched the Premium Loan Insurance Scheme in collaboration with eight banks, to help owners of subsidised housing properties aged 50 or above to settle land premium payment in a bid to promote market circulation of subsidised housing properties.
- 16 – 18 Sep CE visited Jakarta, Indonesia and attended the promotional activities held by the HKTDC and the Hong Kong Tourism Board. During the visit, the establishment of an ETO in Jakarta was announced.
- The Hong Kong - Taiwan Economic and Cultural Co-operation and Promotion Council and its Taiwan counterpart, Taiwan-Hong Kong Economic and Cultural Co-operation Council, held their sixth joint meeting in Hong Kong. The two sides signed the Memorandum of Understanding on Co-operation in Accreditation Technologies. In addition, the AA and the Taoyuan International Airport Corporation signed a memorandum of understanding to enhance exchanges between the two airports.
- 21 – 27 Sep FS led a “Belt and Road” business delegation to Hungary, Poland and Germany to strengthen economic and trade co-operation between Hong Kong and the three countries.
- 22 Sep The Government granted new ten-year franchises to Citybus Limited (in respect of its franchise for the Hong Kong Island and Cross-Harbour bus network) and New Lantao Bus Company (1973) Limited. The new franchises will commence on 1 June 2016 and 1 March 2017 respectively.
- 24 Sep Hong Kong and the Philippines signed a memorandum of intent in Manila, the Philippines pledging mutual co-operation on promoting investment exchanges and best practices.
- The Government announced the tendering of three-year Government Bonds, totalling \$4.2 billion, through the re-opening of an existing five-year Government Bond issue under the Institutional Bond Issuance Programme of the Government Bond Programme.
- 9 Sep The Hong Kong Shipping Register crossed the 100 million gross tonnage mark.
- 29 Sep – 8 Dec The Development Bureau (DEVB) invited Expression of Interest for the development of the Tourism Node site at Kai Tak. A total of 11 submissions were received. The Tourism Node is a major component of “Kai Tak Fantasy” - a planned tourism, leisure and entertainment destination for public enjoyment, which will create synergy with various “Energizing Kowloon East” initiatives, to facilitate the transformation of

Kowloon East into an additional core business district to sustain Hong Kong's long-term economic development.

- 30 Sep The SFC and the HKMA issued a joint consultation on introducing the first phase of mandatory clearing and the second phase of mandatory reporting for OTC derivatives transactions, in order to develop a regulatory regime for the OTC derivatives market in Hong Kong to enhance financial market stability.
- 2 Oct The Companies (Winding Up and Miscellaneous Provisions) (Amendment) Bill 2015 was gazetted. The Bill seeks to improve and modernise Hong Kong's corporate winding-up regime by increasing protection of creditors, streamlining the winding-up process, and further enhancing the integrity of the winding-up process. This will help enhance Hong Kong's business environment.
- 3 – 8 Oct In collaboration with the HKTDC, the DEVB held a trade mission to Yangon, Myanmar, led by the Secretary for Development and comprising 21 members of the professional services sector and government department representatives, to promote the development of professional services and business co-operation between the two places.
- 4 – 14 Oct FS attended the Annual Meetings of the International Monetary Fund (IMF) and the World Bank Group held in Lima, Peru as a member of the delegation of China. He also visited New York and Washington DC to strengthen Hong Kong's economic ties with the US.
- 6 Oct The \$1-billion Recycling Fund was officially launched. The Recycling Fund promotes the recovery and recycling of waste into useful resources and products by facilitating the upgrading of operational capabilities and efficiency in the recycling industry to support its sustainable development.
- 10 Oct The Commission on Poverty announced at the Poverty Summit the updated poverty line and the poverty situation in Hong Kong in 2014. The poverty situation in 2014 stabilised with slight improvement when compared with that of 2013. After recurrent cash policy interventions, the poor population in Hong Kong decreased from 0.97 million in 2013 to 0.96 million in 2014, and the poverty rate fell from 14.5% to 14.3%. Both were at the record-low levels in the last six years covered by the analysis.
- 12 – 14 Oct CE led a delegation comprising related industry leaders and academics from Hong Kong to visit Israel to learn more about the development of innovation and technology there.
- 15 Oct The HKIA was named "Asia Pacific Airport of the Year - Industry Choice" by air cargo publication Payload Asia.
- 23 Oct The Banking (Capital) (Amendment) Rules 2015 to align certain aspects of the Banking (Capital) Rules more closely with the relevant Basel III standards were gazetted. The amended Rules came into operation on 1 January 2016.
- 26 Oct The number of business operations in Hong Kong with parent companies overseas and in the Mainland hit a record high of 7 904 in 2015, up by 4.2% from 2014, according to the "Survey of Companies in Hong Kong Representing Parent Companies Located outside Hong Kong" conducted by Invest Hong Kong and the Census and Statistics Department.

The Government announced the tendering of five-year Government Bonds, totalling \$3 billion, under the Institutional Bond Issuance Programme of the Government Bond Programme.

- 28 Oct The World Bank released Doing Business Report 2016. Hong Kong was rated the first in “protecting minority investors” for the second consecutive year.
- 28 – 31 Oct The ENB and the HKTDC co-organised the “Eco Expo Asia 2015”. The main theme of the Expo was “Embracing a Green and Sustainable Future”. It attracted 320 exhibitors from 18 countries and regions.
- 6 Nov The ENB launched the Hong Kong Climate Change Report 2015, which outlined the work and joint efforts of the Government and the key private-sector stakeholders in responding to climate change. It also provided an account of the actions taken by Hong Kong to combat climate change prior to the 2015 Paris Climate Change Conference.
- 10 Nov Hong Kong and Macao commenced negotiation on a free trade agreement, namely a Hong Kong and Macao Closer Economic Partnership Arrangement (HK-Macao CEPA).
- 11 Nov The Government introduced the Patents (Amendment) Bill 2015 into the LegCo to provide for the legal framework for reforming the patent system, including the introduction of the “original grant” patent system in Hong Kong.
- 13 Nov The Government released the preliminary GDP figures for the third quarter of 2015. Hong Kong’s economic growth slowed to 2.3% year-on-year in real terms. The growth slowdown was part of a region-wide phenomenon amid a lacklustre global economy, and reflected the intensified drag on the economy from weaker external demand. The domestic segment, while staying relatively stable, also expanded at a slower pace.

In the November update of the economic forecast for 2015, the forecast growth rate in real terms of GDP was revised to 2.4%. The forecast rates of headline and underlying CCPI inflation were revised downward to 3% and 2.5% respectively.

The Mandatory Provident Fund Schemes (Amendment) Bill 2015 was gazetted. The Bill mandates each MPF trustee to provide in each MPF scheme a highly standardised and fee-controlled Default Investment Strategy that is consistent with the objective of long-term retirement savings.

The Securities and Futures (Amendment) Ordinance 2015 to enable the SFC to provide supervisory assistance to regulators outside Hong Kong was gazetted and came into operation.

The regulatory regime for stored value facilities and retail payment systems under the Payment Systems and Stored Value Facilities Ordinance commenced operation. The Ordinance empowers the HKMA to implement a mandatory licensing system for multi-purpose stored value facilities and perform relevant supervision and enforcement functions. In addition, the HKMA is empowered to designate retail payment systems to ensure their safe and robust operation under prudential regulation.

The Deposit Protection Scheme (Amendment) Bill 2015 was gazetted to adopt a gross payout approach to determine compensation, in order to achieve faster and effective payouts in case the Deposit Protection Scheme is triggered.

The Inland Revenue (Amendment) (No. 3) Ordinance 2015 was gazetted. The Ordinance seeks to enhance the tax appeal mechanism and improve the efficiency and effectiveness of the Board of Review (Inland Revenue Ordinance).

- 13 – 20 Nov FS attended the G20 Leaders’ Summit held in Antalya, Turkey as a member of the delegation of China. He also visited Bucharest, Romania to strengthen bilateral economic and trade ties. FS signed an agreement on the avoidance of double taxation with Romania on behalf of the HKSAR Government during his visit.
- 15 Nov The Pacific Economic Co-operation Council published its State of the Region Report 2015-2016. The Report recognised Hong Kong as one of the economies most highly integrated with the Asia-Pacific region.
- 17 – 18 Nov The Government and the HKTDC jointly hosted the Fifth Asian Logistics and Maritime Conference, attracting over 2 000 business leaders and industry practitioners from 27 countries and regions.
- 17 – 19 Nov CE attended the APEC 2015 Leaders’ Week and other related meetings in Manila, the Philippines. During his stay in Manila, CE met with APEC leaders to exchange views on issues of mutual concern.
- 20 Nov The Innovation and Technology Bureau was officially established, and is responsible for formulating holistic policies on innovation and technology (I&T), and fostering the development of I&T and related industries in Hong Kong.
- The Financial Institutions (Resolution) Bill was gazetted. The Bill aims to establish in Hong Kong a resolution regime for systemically important financial institutions, with a view to avoiding or mitigating the risks posed by their non-viability to the stability and effective working of the financial system of Hong Kong, including to the continued performance of critical financial functions and to public funds.
- The Ministry of Finance of the People’s Republic of China announced the tendering of a total of RMB10 billion RMB Sovereign Bonds in Hong Kong with tenors ranging from 3 to 20 years.
- 21 – 28 Nov The 31st Plenary Meeting of International Organization for Standardization (ISO)/Technical Committee (TC) 176 was held in Hong Kong. Close to 200 experts from more than 40 economies attended over 80 meetings to discuss quality management and quality assurance, and to exchange ideas for further development of the ISO 9000 family of standards on quality management.
- 24 Nov The Government announced the implementation of the Low-Income Working Family Allowance in May 2016.
- 26 Nov The Second Hong Kong - Thailand RMB Business Forum, facilitated by the HKMA and the Bank of Thailand, was held in Bangkok, Thailand to discuss the recent developments and outlook for RMB internationalisation and the new business opportunities for financial institutions and corporates.
- 27 Nov Hong Kong and the Mainland signed, under the framework of CEPA, the Agreement on Trade in Services to achieve basic liberalisation of trade in services between the Mainland and Hong Kong, enabling both sides to reach a new milestone after the continuous liberalisation of trade in services through CEPA over the years.
- 30 Nov – 5 Dec “Business of Design Week 2015”, the largest annual design event in Asia and one of the leading ones in the world, was held in Hong Kong. Barcelona was the partner city for the event in 2015. Some 100 000 persons participated in the “Business of Design Week” and its concurrent events.

- 4 Dec The Inland Revenue (Amendment) (No. 4) Bill 2015 was gazetted to enhance the existing interest deduction rules for the intra-group financing business of corporations, introduce a concessionary profits tax rate for qualifying corporate treasury centres, and clarify tax treatments in respect of regulatory capital securities issued by banks in compliance with Basel III capital adequacy requirements. This will provide a conducive environment for attracting multi-national and Mainland corporations to centralise their treasury functions in Hong Kong, thereby enhancing the competitiveness of Hong Kong's financial markets.
- 5 Dec The Academy of Sciences of Hong Kong was inaugurated with 27 distinguished scientists as Founding Members. Its objective is to advance the development and promote the education of science and technology in Hong Kong. The first Science and Technology Innovation Summit was held the following day.
- 8 – 10 Dec FS led a government delegation to Beijing to meet with Central Government officials responsible for financial and monetary matters and to discuss issues of mutual concern.
- 10 Dec The fifth meeting of the private-sector led Hong Kong - London Forum was held in Hong Kong to promote co-operation on the development of international RMB business. The HKMA and HM Treasury from the United Kingdom acted as facilitators.
- 11 Dec The 2015 Pan-Pearl River Delta Regional Co-operation Chief Executive Joint Conference was held in Fuzhou, Fujian Province. The Secretary for Constitutional and Mainland Affairs (SCMA) attended the Conference on behalf of the Government.
- The Electronic Cheque service was launched to provide a more convenient way for bank customers to issue and deposit cheques online.
- The development plans of the Tung Chung New Town Extension had been finalised and the relevant statutory plans were agreed by the Town Planning Board as suitable for gazettal. Upon full implementation, the Tung Chung New Town will become a distinct community for accommodating a population of about 268 400 to meet the housing, social, economic, environmental and local needs.
- Electrical and Mechanical Services Department gazetted the 2015 editions of the Code of Practice for Energy Efficiency of Building Services Installation and Code of Practice for Building Energy Audit. The new version, compared with the 2012 edition, required a further 10% improvement in energy efficiency. It was expected that up to 2025, energy savings from all new buildings in Hong Kong would be about five billion kilowatt-hours, equivalent to the total annual electricity consumption by about some one million households.
- 14 Dec The Competition Ordinance (Cap. 619) (CO) fully commenced. The CO provides for a cross-sectoral competition law prohibiting anti-competitive conduct in all sectors.
- 15 Dec An IMF Staff Mission to Hong Kong published the Concluding Statement following the 2015 Article IV Consultation with the Hong Kong SAR. The Statement lauded the HKSAR Government's prudent fiscal management and robust regulatory regime for the financial system.
- 15 – 19 Dec The Hong Kong, China delegation attended the Tenth Ministerial Conference (MC10) of the World Trade Organization held in Nairobi, Kenya. The MC10 concluded the "Nairobi Package", which comprises outcomes in agriculture and development issues. Moreover, 53 members (including Hong Kong, China) reached an agreement to

gradually eliminate the tariffs of more information technology products.

17 Dec The HKMA announced an upward adjustment of the Base Rate by 25 basis points to 0.75%, according to a pre-set formula. The increase in the Base Rate followed the 25-basis-point upward shift in the target range for the US federal funds rate on 16 December in the US.

The SCMA co-chaired the third meeting of the Hong Kong/Guangzhou Co-operation Working Group in Hong Kong with the Vice Mayor of the Guangzhou Municipality. At the meeting, both sides exchanged views on issues including development of the Nansha area of the China (Guangdong) Pilot Free Trade Zone, exchange and co-operation among professionals, cross-boundary e-commerce, airport co-operation and other areas.

18 Dec The SFC granted authorisation for the first batch of four Mainland funds under the MRF scheme for public offering in Hong Kong. The CSRC also approved the first batch of three Hong Kong funds for public offering on the Mainland market.

The Government published the Long Term Housing Strategy Annual Progress Report 2015. The updated total housing supply target for the ten-year period from 2016-17 to 2025-26 is 460 000 units.

22 Dec The Government launched a six-month public engagement exercise on ways to improve the retirement protection system in Hong Kong.

28 Dec The \$10-billion Midfield Concourse in the HKIA as well as its auxiliary facilities were completed on schedule.

31 Dec The number of visitors to Hong Kong in 2015 was 59.31 million.

Hong Kong was the largest market for initial public offering in the stock market in 2015 globally.

HKIA achieved passenger volume record by handling 68.5 million passengers in 2015.