

ANSSR: Economy Priorities and Progress Assessment Measures

Hong Kong, China

Hong Kong, China (HKC) has been striving to enhance our status as an international centre for financial services, trade, shipping and logistics, and to develop six other industries, including education services, where Hong Kong, China enjoys clear advantages. To enhance this status, we must keep our market, business and trading environment competitive, friendly and fair.

For achieving the above vision of HKC, we are making efforts to enact a cross-sector competition law, improve legislation against unfair trade practices and undertake regulatory reviews with focus on implications to business. As an international financial centre, we keep our financial regulatory regime in pace with global changes by implementing recommendations made by G20 and the Financial Stability Board. On development of education services, we will establish ourselves as a regional education hub, develop the self-financing post-secondary education sector, and promote a robust quality assurance mechanism for academic, vocational and continuing education.

In pursuing a vibrant economy, we also envision the sharing of prosperity for a caring society. Supporting measures include enhancement of employment and training services especially for those with employment difficulties, and enhancement of the employability of the vulnerable populations through training and the use of financial incentives, among other means.

Details of HKC's structural reform measures enabling the realization of HKC's vision are described in the ensuing ANSSR priorities tables.

ANSSR Priorities

Promoting more open, well-functioning, transparent, and competitive markets	
Priority:	To enact a competition law to prohibit and deter undertakings in all sectors from adopting abusive or other anti-competitive conduct which has the object or effect of preventing, restricting and distorting competition in Hong Kong, China (HKC).
Progress assessed based on:	The progress of the legislative process in Legislative Council before the passage of the Competition Bill, and the effective implementation of the law after the passage of the Bill.
Priority:	To improve legislation aimed at prohibiting unfair trade practices and safeguarding legitimate rights of consumers, by introducing measures to prohibit false trade descriptions of services, misleading omissions, aggressive tactics, bait advertising, “bait-and-switch”, and the practice of accepting payments without the intention or ability to supply contracted goods or services.
Progress assessed based on:	The changes in the number of relevant consumer complaints.
Priority:	To review the operation and regulatory framework of the tourism sector with a view to setting the direction for a sustainable and healthy development of the sector.
Progress assessed based on:	The progress of the legislative process and other implementation issues.
Priority:	To enhance business-friendliness of HKC’s regulatory environment by (a) removing procedural and regulatory barriers; (b) avoiding the introduction of unreasonable regulatory proposals; and (c) improving the clarity, efficiency and relevance of business regulatory and licensing arrangements with a view to reducing business compliance costs while safeguarding public interest under the “Be the Smart Regulator” Programme.
Progress assessed based on:	The feedback of the business community and the public, customer satisfaction surveys as appropriate, and HKC’s performance in the World Bank’s Doing Business annual report.

Promoting better functioning and effectively regulated financial markets	
Priority:	To implement recommendations by G20 and the Financial Stability Board (FSB) for financial regulatory reform to strengthen financial stability. Key measures include (a) the implementation of the Basel Committee on Banking Supervision (BCBS)’s Basel III reform package; (b) adoption of FSB Systemically Important Financial Institutions (SIFIs) policy framework for addressing the systemic and moral hazard risks associated with SIFIs; (c) implementation of G20’s commitments concerning standardisation, central clearing, exchange/ platform trading and reporting of over-the-counter derivative transactions to trade repositories; and (d) implementation of the FSB Principles for Sound Compensation Practices and Implementation Standards.
Progress assessed based on:	(1) Comparison of HKC’s implementation progress against timetables agreed under G20/ FSB/ BCBS; and (2) FSB peer review on members’ implementation of relevant recommendations.

Promoting labour market opportunities, training, and education	
Priority:	To develop HKC into a regional education hub, by (a) increasing quota for non-local students; (b) providing government scholarships for both outstanding local and non-local students; and (c) relaxing immigration and employment restrictions.
Progress assessed based on:	The increases in the number of non-local students and the number of non-local students who stay in Hong Kong, China for career development after graduation.
Priority:	To develop the self-financing post-secondary education sector for providing diversified and multiple study pathways for secondary school leavers. Supporting measures include the Land Grant Scheme and Start-up Loan Scheme to support campus development, Quality Enhancement Grant Scheme to enhance the quality of teaching and learning in the sector and a Self-financing Post-Secondary Education Fund to support the long-term and healthy development of the sector.
Progress assessed based on:	(1) Increase in the number of locally-accredited post-secondary programmes; and (2) participation rates in post-secondary education.
Priority:	To implement a robust quality assurance mechanism for the qualifications of academic, vocational and continuing education, by implementing and promoting the Hong Kong Qualifications Framework (HKQF). Measures include the (a) establishment of a web-based Qualifications Register (QR) under HKQF; (b) formation of Industry Training Advisory Committees (ITACs) for drawing up industry-specific competency standards.
Progress assessed based on:	Increases in the number of (1) qualifications recognized under HKQF; (2) accesses to QR (by hit rate); and (3) ITACs.
Priority:	To enhance the existing Government employment and training/ retraining services to help job seekers, especially those with employment difficulties, by streamlining/ integrating services currently provided by relevant government agencies and providing various additional features. A pioneer one-stop employment and training centre is being set up.
Progress assessed based on:	A set of key performance indicators on various aspects of the pioneer centre, including number of visitors, number of registered job seekers, number of job seekers receiving case management, number of job referrals, number of placements, number of employment briefings conducted, number of job seekers participating in employment programmes, and number of job seekers participating in job fairs.

Promoting sustained SME development and enhanced opportunities for women and vulnerable populations			
Priority	To enhance the employability of the vulnerable populations (middle-aged, youth and persons with disabilities) through specialized employment programmes which provide pre-employment training, work trial opportunities and on-the-job training. Employers who participate in such programmes would receive financial incentives.		
Progress assessed based on:	<u>Middle-aged</u> Number of placements achieved (target: 4000 placements per year)	<u>Youth</u> Number of young people enrolled under the programme (target: 15000 persons per year)	<u>Persons with disabilities</u> Number of placements achieved (target: 400 placements per year)