

Press Release

The Hong Kong Institution of Engineers Welcomes 2024 Policy Address that Focuses on Enhancing Livelihood and Building the Future

(Hong Kong, 16 October 2024) The Hong Kong Institution of Engineers (HKIE) welcomes the 2024 Policy Address released by the Government today, themed “Reform for Enhancing Development and Building Our Future Together”. The HKIE expresses strong support for the numerous initiatives therein that benefit livelihood, economy, social development, and other areas. It agrees with the series of measures proposed by the Chief Executive, which not only aid Hong Kong’s holistic sustainable development, leveraging the city’s strengths as a “Super Connector” and “Super Value-adder”, but also take tangible actions in response to the resolution to further deepen reform of the Third Plenary Session of the 20th Central Committee of the Communist Party of China.

Innovation and New Industrialisation

The HKIE advocates conducting research activities, investing capital, and developing talent in the upstream sector; effecting the transformation and commercialisation of research outcomes in the midstream sector; and enacting industrial development in the downstream sector. We concur with the Government’s formulation of a medium to long-term development plan for new industrialisation in Hong Kong. We believe it will facilitate close collaboration among Government, industry, academia, research, and investment sectors, building a co-operative platform for new industrialisation in Hong Kong, comprehensively promoting innovation and technology (I&T) and new industrialisation across upstream, midstream, and downstream sectors, aligning with the nation’s drive to boost “new quality productive forces”.

The HKIE supports the Government’s establishment of a HK\$10 billion “I&T Industry-Oriented Fund” to channel more market capital to invest in specified emerging and future industries of strategic importance with a view to building an I&T ecosystem systematically. The Fund takes into account industries where Hong Kong enjoys clear advantages and aligns with our suggestion about optimising the “Innovation and Technology Venture Fund,” investing in startups in strategic industries to enhance the ecosystem of local startups.

To foster the growth of startups, the Government plans to launch the “I&T Accelerator Pilot Scheme”, allocating HK\$180 million in the form of matching funds to attract professional and experienced startup service providers in and beyond Hong Kong to set up accelerator bases in Hong Kong.

Engineers play a crucial role in helping to realise R&D outcomes in I&T. Within the scope of Hong Kong’s new industrialisation, designated academic and R&D institutions, the Government is recommended to consider offering preferential policies to leading enterprises and local industries hiring local engineers and technical personnel.

Relaxing restrictions on inventor profit-sharing ratios should also be considered as an incentive to promote innovation and development of startups.

Attracting Talent

The HKIE believes that Hong Kong has the full potential to become an international hub for high-calibre talent, and welcomes the Government's emphasis on talent policies. Among the multipronged strategies for talent trawling, we see positive impacts on industry development in updating the "Talent List", expanding the list of universities under the "Top Talent Pass Scheme", extending the validity period of the first visa of high-income talents under the scheme to three years. In addition, enhancing the "General Employment Policy" and the "Admission Scheme for Mainland Talents and Professionals" by adding channels to attract young and experienced specialists in specified skilled trades facing acute manpower shortage to Hong Kong, as well as extending the pilot arrangement of including graduates from the GBA campuses of Hong Kong universities under the "Immigration Arrangements for Non-local Graduates", will help meet the industry's talent needs and provide valuable human resources for building Hong Kong.

We note the Hong Kong Talent Engage (HKTE)'s plan to expand its network of collaborative partners and organise online and in-person job fairs with industries and employer organisations, enabling employers to directly match jobs with talents. The HKIE believes that the HKTE's years of experience will allow it to promote the initiatives effectively, supporting the acquisition of talent that our city needs.

In addition to attracting and retaining foreign talents, we hope that the Government, with a view to training local engineering graduates, will increase the subsidies for companies that provide the HKIE Scheme "A" Graduate Training from HK\$5,610 to HK\$10,000 or above, and the quota from 272 to 1,000. This will encourage companies to offer higher starting salaries to engineering graduates, thereby attracting and retaining local talents.

The HKIE has made significant progress in expanding recognition of professional qualifications. Since the beginning of this year, we have successfully established the first evaluation mechanism of post titles for the first batch of Hong Kong engineering professionals, and we will continue to strengthen cooperation and dialogue with counterparts in the Mainland to expand the mechanism to other engineering disciplines. The HKIE hopes for the Government's support in our endeavour to attract more engineering professionals to serve in Hong Kong. We also welcome the collaboration between the Government, Guangdong Province, and Macao to create "GBA Standards" for the skill level of skilled workers and pursue the "One Examination, Multiple Certification" arrangement. Through examinations adopting GBA Standards, individuals can concurrently obtain vocational skill certificates issued in the three regions, enhancing the training quality in the GBA's construction industry and nurturing talents.

Land and Housing Supply

Increasing land supply is a critical aspect in improving citizens' living environment and quality of life. The HKIE is glad to note the Government's target to complete the approval procedures for the statutory environmental impact assessment process for the reclamation works under the Kau Yi Chau Artificial Islands project next year. The Urban Renewal Authority will also submit renewal master plans for Tsuen Wan and Sham Shui Po after completing the technical assessments, along with formulating policy recommendations on the deployment of newly developed land in driving large-scale urban redevelopment projects.

The HKIE is pleased to note the Government's adoption of our recommendations by encouraging departments to adopt a collaborative mindset and work style as "Facilitator" to streamline the development procedures of various projects. This includes leveraging industry resources to enhance speed and efficiency, and engaging industry professionals to handle the vetting work of small-scale or temporary structures through self-certification; reviewing the building design standards, and facilitating local application of cost-effective construction materials and technologies from the Mainland and overseas to reduce construction cost; and expanding the purview of the Development Projects Facilitation Office under the Development Bureau to facilitate co-ordination with departments in expediting the approval of land use and related matters for the development of I&T and other industries in the Northern Metropolis. We hope that departments can collaborate to facilitate project development, streamline land development procedures, and lay a solid foundation for simplifying administrative and development procedures.

Furthermore, the HKIE is encouraged by the Government's adoption of our recommendation to further promote smart construction and management of public rental housing estates and facilitate the application of innovative technologies. This includes the application of Project Information Management and Analytics Platform in new public housing projects' developing and construction processes; the adoption of MiC 2.0 method in new Modular Integrated Construction (MiC) projects at the planning and design stages; and the clear stipulations, in all new building (superstructure) tender documents, about the work procedures for which the use of construction robotics is permissible for the purpose of enhancing housing quality and construction speed.

Concurrently, the Government plans to launch the "MiC Manufacturer Certification Scheme" in synergy with the Mainland as a production base, leveraging the complementarity of the construction industries in Guangdong and Hong Kong. Hong Kong's long-standing building standards will also be reviewed and enhanced, promoting local application of high-quality and cost-effective construction materials from the Mainland and overseas. This will also be beneficial for Guobiao's expansion in international markets, an advantage that, in the HKIE's belief, exemplifies how Hong Kong's engineering sector's role as a "Super Connector" is being leveraged.

We also welcome the Government's legislative efforts to establish a rental system for

subdivided units (SDUs) to ensure the gradual phasing out of substandard SDUs. The HKIE stands ready to provide professional advice on the compliance standards for SDUs' conversion into "Basic Housing Units" in the hope of offering better living spaces for grassroots communities.

Education

Education is an investment for the future, and the nurturing of talents must begin at a young age. In the realm of STEAM education in primary and secondary schools, the Education Bureau will establish the "Steering Committee on Strategic Development of Digital Education" to promote digital education, renew the Junior Secondary Science Curriculum, and provide support for teachers in using artificial intelligence (AI) in teaching. The HKIE acknowledges that these updates will help equip educators and students to embrace the opportunities and challenges engendered by the surge of AI. Additionally, we believe that by supporting teachers, through training, to increase the proportion of resources devoted to engineering practices' incorporation into the current curriculum, we can spark more interest in science and engineering subjects among students. The HKIE urges the Government to review and revise existing university admission requirements for engineering subjects, as well as secondary school curriculum, to draw competent students with diverse skill sets to pursue engineering studies and careers.

In the realm of applied sciences, we believe that the Government's plan to build a campus for the newly established Hong Kong Institute of Information Technology (an Institute under the Vocational Training Council) and develop its Lift and Escalator Technology Centre will positively impact the industry's development.

Maritime Development

The HKIE is pleased to note the Government's plan to establish the "Hong Kong Maritime and Port Development Board" to more effectively support the implementation of policies and promote the sustainable development of the city's maritime industry. We agree with the Government's multipronged approach to vigorously develop high value-added maritime and professional services. This includes stepping up the promotion of existing tax concessionary measures for maritime services, enhancing the preferential tax regime, fashioning Hong Kong into a green maritime centre, promoting the green transformation of registered ships, and offering green fuel bunkering facilities. We believe this will support Hong Kong in securing a leading position in green shipping.

We also support the Government's initiative to complete the installation of a port community system next year to facilitate data flow and exchange among stakeholders in the maritime, port and logistics industries, and to organise more major events to showcase Hong Kong's maritime strengths to the world. As this aligns with the HKIE's theme for this Session, "Grow the Nexus, Link the Links", we will be delighted to collaborate with the Government in promoting these efforts.

The HKIE agrees on the need to create more advantages for Hong Kong's air cargo industry, with cooperation with the Greater Bay Area being one of the imperative directions. As the initial stage of first-phase construction for the permanent logistics park, "HKIA Dongguan Logistics Park", will be completed by the end of next year, it will help introduce more high value-added logistics, cross-boundary e-commerce and courier service facilities. The Government is also considering extending the arrangements under the Air Transshipment Cargo Exemption Scheme to other intermodal cargo-transshipment modes to enhance competitiveness. We also support the Hong Kong International Airport's exploration of new destinations and flights, particularly through civil aviation cooperation with countries involved in the "Belt and Road Initiative," to complement and fully utilise the gradual openings of the passenger facilities in the Three-Runway System.

The HKIE welcomes the Government's adoption of our recommendations to promote the development of low-altitude economy, designating venues for the exploration of drone deployments, including delivery, surveys, building maintenance, aerial photography, performances, search and rescue, and other possibilities. Amending relevant regulations and researching on the planning of low-altitude infrastructure will lay the foundation for development.

The HKIE is also pleased to note the Government's plan to expand high value-added logistics services and release four quality logistics sites, supporting the development of the logistics industry. We also welcome the Government's continued efforts to strengthen cooperation with the logistics sector in the western part of Guangdong and other neighbouring areas, leveraging the Hong Kong-Zhuhai-Macao Bridge to expand the catchment area of our cargo services and facilitate more goods to transit through Hong Kong.

Smart City

The HKIE agrees with the Government's continued efforts to promote waste reduction and recycling by increasing public recyclable collection points, food waste smart recycling bins or food waste collection facilities, as well as establishing a common legislative framework for the producer responsibility scheme applicable to different products, facilitating the future inclusion of products such as plastic beverage containers and beverage cartons progressively, expanding Hong Kong's waste-to-resources capacities.

In terms of promoting green transportation, we welcome and support the allocation of approximately HK\$750 million under the New Energy Transport Fund to the subsidisation of the taxi trade's and franchised bus companies' electric vehicles (EVs) purchase, and the launch of the Subsidy Scheme for Trials of Hydrogen Fuel Cell Electric Heavy Vehicles to create a green transportation system. Efforts will also continue in taking forward the investigation and design of the smart and green mass transit systems in East Kowloon and Kai Tai, with a view to inviting tenders for the projects in Kai Tak and East Kowloon in 2025 and 2026 respectively. Additionally,

the Government will earmark HK\$300 million for a new scheme that subsidises the private sector's installation of quick-charging facilities, thereby expanding the EV charging network. To promote green and low carbon hydrogen energy, the HKIE supports the Government's active assistance with the establishment, by the industry, of a solar-to-hydrogen facility as a demonstration, and the formulation of an approach to hydrogen standard certification suitable to Hong Kong.

The HKIE is encouraged by the Government's proactiveness in putting forward measures in multiple areas. The engineering sector will continue to devote its professional expertise to efforts at providing multi-area recommendations to the Government and supporting the implementation of the public-serving measures outlined in the Policy Address. Together, we will build a better Hong Kong.

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