

## Press Release

### **The HKIE welcomes the 2023 Policy Address**

(Hong Kong, 27 October 2023) The Hong Kong Institution of Engineers (hereafter “the HKIE”) welcomes the 2023 Policy Address issued earlier by the Administration, which promotes various initiatives in areas related to livelihood, economic development, and social progress. The Address demonstrates a stringent commitment to urban development and citizens' quality of life. The HKIE believes that the measures proposed by the Chief Executive will not only contribute to Hong Kong's overall sustainable development but also bring the city new opportunities. The HKIE hosted a press conference today to address the content of the Policy Address.

#### **Land and Housing Supply**

Increasing land supply is an important aspect of improving the living environment and quality of life of citizens. The HKIE is pleased to see the Administration's determination to develop land and address land shortage with its Policy Address. The Administration also plans to release land for development purposes in 2024. The plans include: approximately 20 hectares of land at the Ex-Lamma Quarry, planning studies for comprehensive urban renewal masterplans and restructuring proposals for Tsuen Wan and Sham Shui Po in phases, MTR's submission of proposals by 2024's end to re-plan the railway facility sites in the vicinity of the Hung Hom Station and to improve connectivity between Hung Hom and Tsim Sha Tsui East, and the commencement of detailed design work of the South Lantau eco-tourism or eco-recreation projects.

The HKIE is pleased to see the Administration adopting our recommendations to streamline statutory and administrative procedures as well as introducing more administrative measures to simplify procedures, such as completing straight-forward title-checking cases within 12 weeks to expedite disbursement of land resumption compensation, as well as relaxing the gross floor area (GFA) exemption for aboveground carparks to speed up the development process. These will help solve the longstanding land supply conundrum.

The HKIE is also pleased to see the Administration adopting the latest engineering technology to expedite the approval of building plans, for example by using Building Information Modelling (BIM) technology to improve building design and speed up construction. A roadmap will be promulgated this year for the full adoption of BIM in the preparation and approval of building plans for private development projects. Additionally, the Modular Integrated Construction (MiC) approach will be adopted to enhance building quality and expedite construction. All this reflects the Administration's commitment to speed, efficiency and quality in housing development.

The HKIE supports the Administration's efforts to enhance building safety and management in response to the ageing buildings in Hong Kong. One of these efforts is the initiation of prosecution, from this quarter, against owners' corporations (OCs) or owners who have not complied with notices served under the Mandatory Building Inspection Scheme (MBIS) and where there is a lack of progress. Another is to propose amending the Buildings Ordinance to streamline prosecution procedures and lowering the prosecution threshold, as well as raising the penalties against non-compliance with notices served under the MBIS and the Mandatory Window Inspection Scheme, repair and investigation orders, unauthorised building works and other illegal building works. The HKIE believes that these measures will encourage the society to address building safety issues more seriously.

### **Infrastructure and Development**

With the implementation of large-scale projects such as the Northern Metropolis and the Kau Yi Chau Artificial Islands, Hong Kong's engineering industry will undoubtedly face challenges in terms of manpower and project management. The HKIE is pleased to see the Administration's establishment of the Committee on the Financing of Major Development Projects and the Office for the Financing of Major Development Projects. Taking advantage of market capital and efficiency, these two bodies will advise on feasible investment and financing options. For example, they will put forward proposals on the financing arrangements for the reclamation of the Kau Yi Chau Artificial Islands, associated infrastructure and strategic transport infrastructure development, ensuring the financial sustainability of urban development.

Last year, the Administration gradually streamlined the submission and approval processes. The HKIE hopes that it will continue to introduce measures to encourage the adoption of a collaborative, "facilitator" approach in thinking and work models among relevant personnel. This will ensure the smooth implementation of infrastructure projects.

### **Talent Acquisition**

The HKIE is pleased to see the Administration's commitment to talent policies and its continuous, intensified allocation of resources to "competing for enterprises and talents." These include the approaching establishment of the physical office of the Hong Kong Talent Engage (HKTE), which provides support for incoming talents, and the organisation of a "Global Talent Summit cum Guangdong-Hong Kong-Macao Greater Bay Area High-quality Talent Development Conference", which promotes regional exchange and co-operation in talent attraction.

The HKIE also supports measures such as the expansion of the coverage of universities under the Top Talent Pass Scheme to attract global talents, the increase of non-local students' admission quota to Government-funded post-secondary

institutions, the Vocational Professionals Admission Scheme, and the enhancement of learning and enrichment opportunities for international students. The HKIE believes that these measures will attract more non-local students interested in pursuing engineering and technology-related degree programmes to come and stay in Hong Kong and contribute to its development as valuable human resources.

In addition to attracting and retaining talents from overseas, the HKIE hopes that the Administration will support the training of local engineering graduates specifically by increasing the subsidies from HK\$5,610 to HK\$10,000 or above and the subsidy quotas from 272 to 1,000 for companies that offer the HKIE Scheme “A” Training. This will encourage these companies to offer higher entry salaries to engineering graduates, thereby attracting and retaining local talents.

The HKIE will continue to strengthen its cooperation and dialogues with the Mainland, expanding the reciprocal recognition of professional qualifications to more engineering disciplines. In this, we hope to receive the Administration’s support so that we can attract more engineering professionals to come and serve in Hong Kong.

In terms of the “Trawl for Enterprises,” the HKIE appreciates that the Administration is committed to attracting enterprises pertinent to the “eight centres”, including those in the innovation industry, and developing “headquarters economy”. This involves attracting corporate champions from the Mainland and various other countries to establish their headquarters, corporate divisions, and research centers in Hong Kong.

## **Education**

To educate is to invest in the future. The HKIE fully agrees with the governance blueprint put forward in the Policy Address, a blueprint based on the principle that “Hong Kong will prosper only when its young people thrive”. The HKIE is also pleased to see the Administration accepting feedback and actively nurturing local talents, thereby establishing a talent pool for the sustainable and prosperous development of Hong Kong.

Talents must be nurtured at an early age. The HKIE welcomes the further strengthened promotion of STEAM education in primary and secondary schools, including the introduction of Science subject in primary schools (with the curriculum framework to be announced in the 2023/24 school year) and the launch of a programme in support of the Mathematics curriculum. Further steps are thereby taken to identify and nurture local STEAM elites, as well as cultivating the mindset and practical skills fundamental to engineers. The HKIE had also previously suggested the Administration to promptly review and revise the admission requirements for university engineering programmes and the secondary school curriculum to attract versatile students to pursue academic or career development in engineering.

The HKIE supports the establishment of universities of applied sciences (UASs) and

the raise of the status of vocational and professional education and training to attain qualifications at university degree level. It also supports the establishment of the Hong Kong Institute of Information Technology, which provides pre-employment and on-the-job training for the IT sector, and the development of the Northern Metropolis University Tow, where post-secondary institutions are encouraged to strengthen co-operation with renowned Mainland and overseas institutions and create synergy by sharing resources and enhancing collaboration with the industry sector. The HKIE is also in favour of increasing allowance of the Apprenticeship Scheme, enhancing cross-boundary mutual recognition of qualifications by e.g. arranging mutual recognition of sub-degree level qualifications including higher diploma qualifications, and putting the arrangement on trial for selected pilot areas.

The HKIE believes that increasing the proportion of resources dedicated to introducing engineering practices in current teacher-training curriculum can help stimulate students' interest in science and engineering subjects. As for the HKIE, it will commit itself fully to initiatives such as “One School One Engineer” and “Back to School Programme” to enhance students' interest in engineering as a subject and encourage them to consider it as a viable option for further education.

### **Innovation and New Industrialisation**

The HKIE advocates for research, capital injection, and talent cultivation in the upstream sector; transformation and commercialisation of R&D outcomes in the midstream sector; and industrial development in the downstream sector.

The HKIE supports the establishment of the following: the New Industrialisation Development Office, which promotes new industrialisation, supports strategic enterprises to develop their businesses in Hong Kong, assists the manufacturing sector in upgrading and transformation by making use of I&T, and provides support for start-ups; the Hong Kong Microelectronics Research and Development Institute, which leads and facilitates collaboration among universities, R&D centres and the industry; a supercomputing centre to foster AI development; and the third InnoHK cluster, which focuses on advanced manufacturing, materials, energy and sustainable development. The HKIE believes that the transformation of Hong Kong's advanced manufacturing industry into a more high-end, intelligent, and green phase can be further promoted by these measures.

The HKIE welcomes the Administration's support for transforming start-ups' R&D outcome. Through the Research, Academic and Industry Sectors One-plus Scheme, the transformation and commercialisation of universities' R&D outcomes will be promoted. The maximum funding provided for the Technology Transfer Office of each specified university will be increased, enabling universities to strengthen their support on technology transfer and expand marketing services. More renowned Mainland and overseas start-up services agencies will be attracted to set up their operations in Hong Kong for providing incubation services and development guidance. The HKIE also supports the enhancement of the intellectual property (IP)

legal regime, which serves to protect commercialisation's R&D outcomes, and further exploration of the Copyright Ordinance enhancement to protect AI technology development.

Meanwhile, the HKIE hopes the Administration will attend to the ecosystem of manufacturing and I&T, as well as consider pursuing a preferential policy for leading enterprises and local industries that fulfil the scope of Hong Kong's New Industrialisation for recruiting local engineers and technicians. Additionally, the HKIE suggests offering subsidies for training programmes to local professionals and providing financial support for startup companies to cover their initial rental costs. Furthermore, relaxing the regulations that limit the proportion of profits going to innovators can serve as an incentive to encourage innovation and start-up development.

### **Smart City**

The furtherance of smart city helps sustain Hong Kong's high-productivity development. The HKIE supports the Administration's launch, starting next year, of over a hundred digital government initiatives to promote digital government and the smart city. The Address also mentioned pressing ahead with the digitalisation of government services, setting up the Digital Policy Office, promoting cross-boundary data flow, coordinating with departments to offer more digital services, and collaborating with the Guangdong Provincial Government to develop the "Digital Bay Area" so that Hong Kong residents can log into the Guangdong Government Service Network with "iAM Smart".

The HKIE is glad to see that the Administration is continually enhancing the coverage of 5G networks by expediting the expansion of mobile network infrastructure in rural and remote areas through subsidies, and supplying more spectrum to mobile network operators by auctions, with a view to improving the transmission speed of 5G networks.

As early as 2017, the Administration initiated the research on "Electronic Road Pricing Pilot Scheme". With the implementation of the next stage of Time-varying Toll Plan in the three Road Harbour Crossings, the HKIE hopes that the Administration will promptly evaluate the traffic conditions in various districts to further the "Electronic Road Pricing Pilot Scheme" and work towards the goal of turning Hong Kong into a smart city.

### **Green, Sustainable Environment**

The HKIE is pleased by the Administration's amendment of the Buildings Energy Efficiency Ordinance, which expands the carbon audit measures for governmental buildings to governmental infrastructure and aims to enhance energy conservation and decarbonisation, and ultimately to achieve carbon neutrality. The Administration is also promoting the use and supply of new energy, formulating the Strategy of

Hydrogen Development in Hong Kong in the first half of next year, and commencing the preparatory work for the necessary legislative amendments pertaining to the production, storage, transportation and application of hydrogen fuel with a view to introducing a bill into the LegCo in 2025.

Meanwhile, the Administration is spearheading the green transformation of land transport, constructing smart and green mass transit in East Kowloon, Kai Tak, and other areas. It also accepted the HKIE's recommendation to promote electric vehicles and hydrogen vehicles as substitutes for petroleum vehicles via disparate approaches: Between the end of this year and next year, tests will be continually conducted for more new energy vehicles, including electric public light buses, electric heavy goods vehicles, electric coaches, hydrogen double-deck buses and hydrogen street washing vehicles, with a view to achieving zero vehicular emissions by 2050.

Over the past year, our society has faced multiple natural disasters and unforeseen incidents. The HKIE is pleased to see that, after extreme weather incidents, the Administration actively proposed the adoption of a more pre-emptive and strategic approach in the Policy Address. The approach includes taking forward expeditiously the \$8 billion drainage improvement works projects; exploring ways to use big data, AI and other technology for aspects of more uncertainties, such as meteorological forecast and alerts, flooding and landslide hazards, transport and traffic; and conducting systematic investigations and studies on major landslide incidents triggered by extreme rainstorms.

The HKIE recommends incentivising the industry to adopt innovative technologies and develop climate-resilient infrastructure that can withstand extreme weather; we are pleased to see this issue being addressed in the Policy Address.

The HKIE hopes the Chief Executive, in the process of furthering Smart City, will engage more professionals, including engineers, in the formulation of climate strategies and policies. It is believed that combining the expertise of a diverse team in this way can lead to the development of a green roadmap most suitable for Hong Kong. Energy or carbon audits should continue to be conducted in New Development Areas projects as indicators for carbon emission control.

The HKIE also suggests the Administration to consider providing support for small and medium-sized enterprises in their green transition efforts and formulating regulations that facilitate long-term sustainability transition.

### **Integration with GBA**

With its distinctive advantages under “One Country, Two Systems,” and blessed with the strong support from the motherland and close connection to the world, Hong Kong is proactively integrating into our country's development, participating in and promoting such national strategies as the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and the Belt and Road (B&R) Initiative. The HKIE fully supports this.

As a regional core developmental engine of the Greater Bay Area, Hong Kong, with its advantage of being internationalised, has attracted numerous international enterprises to establish offices and even their Asian headquarters in the city. As such, Hong Kong can serve as a “super-connector” that facilitates the cooperation of cities within the area and helps them achieve mutual benefits.

Hong Kong’s higher education sector possesses internationally renowned research capabilities and the ability to nurture engineering talents with an international perspective, providing strong support for the development of innovative technologies in both Hong Kong and the Mainland. The HKIE has already signed Reciprocal Recognition Agreements with the Chinese Society of Engineers and the Guangdong Society of Electrical Engineering, which will provide engineers in Hong Kong with more opportunities to participate in the development of the Greater Bay Area and contribute to its integration.

The HKIE is heartened by the Administration’s proactive efforts in promoting development across multiple sectors. It will continue to uphold professionalism, contribute its expertise, and is eager to continue providing advice to the Administration in various areas to build a better, more sustainable, and more innovative Hong Kong.

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