Hong Kong & Mainland China News – February-2019

Trademark law amendment gazetted

By www.news.gov.hk
Friday, February 8, 2019

The Trade Marks (Amendment) Bill 2019 was gazetted today.

The bill seeks to amend the Trade Marks Ordinance to implement the international registration system under the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks upon its application to Hong Kong.

The Madrid Protocol provides a mechanism for seeking registration of a trademark in the register of the International Bureau of the World Intellectual Property Organization.

It also provides a mechanism for seeking extension of protection for such a trademark in multiple jurisdictions by a one-stop application process.

The Government said the implementation of the protocol will save businesses time and cost in obtaining and managing international trademark registrations.

Its implementation is in line with the Government's commitment to enhance Hong Kong's intellectual property regime, it added.

The Madrid Protocol has 103 contracting parties including China and many other major trading partners of Hong Kong, but it has yet to apply to the city.

The bill will be introduced into the Legislative Council on February 20.

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IP protection awareness remains high

By www.news.gov.hk
Monday, February 11, 2019

Hong Kong has a high awareness of intellectual property rights protection, the Intellectual Property Department announced today.

An overwhelming 96.1% of respondents to the Survey on Public Awareness of Intellectual Property Right Protection 2018 considered it necessary to protect IP rights in Hong Kong.

The department said 79.9% of the respondents shared the view that IP rights protection is instrumental to the development of local creative industries and 69.1% considered it instrumental to the city's overall economic development.

More than 85% of the respondents were aware that legislation is in place in Hong Kong for protecting copyright, trademarks and patents.

Additionally, 75.8% of the respondents said that they do not buy any pirated or counterfeit goods and 78.1% shared the view that it is morally wrong to buy pirated or counterfeit goods even knowing that it is an infringement of IP rights.

A total of 1,003 people responded to the survey.

Director of Intellectual Property Ada Leung said: “It is encouraging to see that the awareness of IP rights protection and respect for IP rights remain high among the general public in Hong Kong."

Noting that more people are shopping online, the department is committed to enhancing public awareness on online IP rights protection through different channels, including social media, Ms Leung added.

Greater Bay plan envisages a 'world class' area

By www.news.rthk.hk
Monday, February 18, 2019

Beijing authorities on Monday issued their much-touted outline for the development of the Greater Bay Area, which aims to link Hong Kong and Macau with nine cities in Guangdong into a "world-class city-cluster".

The plan released by the State Council had 11 chapters, covering a variety of areas – from the background of proposals for an innovation and technology hub to ecological conservation.

The project document includes a medium-term plan, which stretches to 2022, while the long-term vision is geared towards 2035.

The document says geographical advantages of the area, its economic strength and internationalisation, will be factors that form the foundation of the cooperation between the 11 cities.

A symposium on the plan will be held in Hong Kong on February 21, with officials from Macau and Guangdong attending.

The Guandong cities involved are Guangzhou, Shenzhen, Dongguan, Huizhou, Zhaoqing, Foshan, Jiangmen, Zhongshan and Zhuhai.

Under the plan, the four major cities in the area... Hong Kong, Macau, Guangzhou and Shenzhen... will act as so-called "core engines", providing momentum to other cities. For Hong Kong, in particular, its position as a world finance, port business, trade and aviation centre will be strengthened.

The document says the plan is necessary for Hong Kong as its economic growth engine lacks sustainability, while Macau's economy is not diversified enough, and areas outside the four main cities have not yet fully opened.

Hong Kong's role in the Bay Area is to provide funding for tech firms, allow them to raise money by going public here, and channel venture capital to start-ups.

By 2035, it foresees that the Bay Area will become much stronger in terms of economic power, technology development and competitiveness - and its people will be more affluent - and the area will be good for living, doing business and travel.

On the tech front, the area would have become the hub of a new generation of information technology, biotech, 3D printing, artificial intelligence, DNA testing and navigation application.

To boost connectivity in the Bay Area, more railroads and metro networks, as well as highways, will be built to connect the east and west end of the area. The scrapping of roaming charges will also be taken into consideration.

The paper also outlined ways to make it easier for Hong Kong and Macau people to study, live and work in the Bay Area. These include the possibility of allowing young people studying in one of the nine Guangdong cities to enjoy the same social benefits as their mainland counterparts and the creation of boarding schools for children in Guangdong.

Mainland authorities will also look at allowing Hong Kong and Macau teachers to teach across the border... and Hong Kong people to join the mainland's civil service. They will also explore the possibility of giving equal treatment in education, healthcare, retirement and housing to Hong Kong people who live and work in Guangdong.

For retirees who live on welfare, the plan will make it easier for them to live across the border.

For the plan to be implemented, a leadership group will be set up and all local authorities will be requested to follow it through. The governments in Hong Kong, Macau and Guangdong will boost communication and co-operation, and they may set up a joint development fund to help build the Bay Area.

CE welcomes bay area plan

By www.news.gov.hk
Monday, February 18, 2019

Chief Executive Carrie Lam today welcomed the Central Government's promulgation of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area.

She expressed gratitude to the Central Government for placing importance on the views of the Hong Kong Special Administrative Region Government in the course of formulating the development plan.

The plan sets out the directions guiding the development of the bay area.

The bay area covers nine cities in Guangdong Province, namely Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing, as well as the two Special Administrative Regions of Hong Kong and Macao.

The plan identifies Hong Kong, Macau, Guangzhou and Shenzhen as core cities, as well as core engines for driving regional development.

The four cities will leverage their comparative advantages and strengthen the radiating effect in leading the development of nearby regions.

The plan supports Hong Kong in consolidating and enhancing its status as international financial, transportation and trade centres as well as an international aviation hub, and strengthening its status as a global offshore renminbi business hub and its role as an international asset management centre and a risk management centre.

It also supports the city in promoting the development of high-end and high value-added financial, commercial and trading, logistics and professional services, making great efforts to develop innovation and technology industries, nurturing emerging industries, and establishing Hong Kong as the centre for international legal and dispute resolution services in the Asia-Pacific region.

These are all conducive to developing Hong Kong into an international metropolis with enhanced competitiveness.

The bay area development is a national strategy personally devised, planned and driven by President Xi Jinping, the HKSAR Government said, adding it is a key development strategy in the country's reform and opening up in the new era.

As pointed out in the plan, the bay area development is not only a new attempt to break new ground in the country's pursuit of opening up on all fronts in a new era, but a further step in taking forward the implementation of “one country, two systems”.

The plan clearly provides that through further deepening co-operation among Guangdong, Hong Kong and Macau, the objectives of the bay area development are to promote co-ordinated economic development in the bay area, leverage the complementary advantages of the three places, and develop an international first-class bay area for living, working and travelling.

The HKSAR Government said it will fully seize opportunities brought about by the development of the bay area, integrate the needs of the country with the strengths of Hong Kong and fully leverage the market-driven mechanism, enabling the city to enjoy brighter development prospects amid its integration into the overall development of the country.

The bay area development can help identify new areas of growth for Hong Kong and foster the diversified development of its economy and industries, the HKSAR Government said, adding the development will also expand the space for living and development of Hong Kong residents.

The HKSAR Government will work with the relevant central ministries, the People's Government of Guangdong Province and the Macao SAR Government to jointly take forward the bay area development in accordance with the guiding directions set out in the plan.

The National Development & Reform Commission will introduce the contents of the development plan in a symposium to be held on February 21 in Hong Kong.

Officials from Guangdong, Hong Kong and Macau will attend the symposium..

Inland Revenue Ordinance amended

By www.news.gov.hk
Wednesday, February 20, 2019

Secretary for Financial Services & the Treasury James Lau welcomed the passage of the Inland Revenue (Amendment) (No. 7) Bill 2018 by the Legislative Council today.

The new ordinance gives effect to five amendments to the Inland Revenue Ordinance.

These include aligning the tax treatment of financial instruments with their accounting treatment, allowing the deduction of interest expenses payable to overseas export credit agencies, refining the provisions that implement the arrangement for automatic exchange of financial account information in tax matters, avoiding double non-taxation of income of visiting teachers and researchers, and revising the meaning of the sibling relationship.

Mr Lau said allowing taxpayers to elect to have their profits derived from financial instruments taxed on the same basis as that of their accounting treatment will facilitate their preparation of tax returns.

He added: "Interest expenses payable to overseas export credit agencies are also made deductible to help foster trading activities between Hong Kong and other places.

“The Government has agreed in principle with the Mainland for the introduction of a teachers and researchers article in the comprehensive avoidance of double taxation arrangement with the Mainland as soon as possible so as to relieve the tax burden for Hong Kong teachers and researchers working there.

“The amendment to the ordinance will help avoid double non-taxation of income of visiting teachers and researchers.”

The ordinance refines the current automatic exchange of financial account information in tax matters regime to clarify the meanings of certain concepts while removing five categories of institutions from the list of non-reporting financial institutions.

It also revises the meaning of "brother and sister" to cover cases related to adopted people in the eligibility criteria for dependent brother or dependent sister allowance.

The Inland Revenue Department will update the Departmental Interpretation & Practice Notes to provide information about the amendments.

HK-Russia trade, investment relations strengthening

By www.thestandard.com.hk

Tuesday, February 26, 2019

Hong Kong and Russia have made good progress in co-operation in various areas in recent years, the Chief Executive, Carrie Lam, told Russian Foreign Minister, Sergey Lavrov, today at Government House.

She said that the total merchandise trade between Hong Kong and Russia was HK$35.8 billion last year, up more than 20 percent from 2017.

It was encouraging to see a remarkable increase in the number of Russian visitors to Hong Kong, demonstrating the increasingly close ties between the two places, she said.

The Secretary for Commerce and Economic Development, Edward Yau, also attended the meeting this morning.

Lam said the Comprehensive Agreement for the Avoidance of Double Taxation between the two sides came into force in 2016 and has bolstered economic and trade connections, and added that she looks forward to an early agreement on promotion and protection of investment between both sides to boost the investment flow.

She said that Hong Kong plans to establish a Hong Kong Economic and Trade Office in Moscow and that she was pleased to learn that the Russian Government has responded positively towards the proposal.

HK must stay vigilant: FS

By www.news.gov.hk
Wednesday, February 27, 2019

Under mounting external pressures, Hong Kong's economic growth moderated in the latter half of last year.

Financial Secretary Paul Chan made the statement in his 2019-20 Budget speech today, saying Hong Kong's economy grew 3% in 2018, higher than the trend growth rate of 2.8% over the past decade.

Total employment sustained growth and salaries increased continuously in real terms, with the jobless rate remaining at 2.8%, the lowest level in more than 20 years.

Mr Chan said as the uncertain global economic outlook this year will restrain the city's economic performance, he forecasts economic growth of 2% to 3% for Hong Kong this year.

He also noted that the International Monetary Fund lowered its global economic growth forecast for 2019 twice in the past five months, indicating that the slowdown risks should not be ignored.

With inflation to remain moderate this year, Mr Chan expects headline inflation and underlying inflation for 2019 to be at 2.5%.

For the medium term, he has forecast an average growth rate of 3% per year in real terms from 2020 to 2023, slightly higher than the trend growth rate of 2.8% over the past decade.

Meanwhile, the underlying inflation rate is expected to average 2.5%.

He said this forecast is made on the assumption that there are no severe external shocks during the period. But the external environment is still impeded by headwinds, and if these persist in 2020 or beyond or even aggravate, global economic growth will be hindered, and Hong Kong's economy will in turn be affected.

He cautioned that Hong Kong has to stay vigilant

Financial services to get a boost

By www.news.gov.hk
Wednesday, February 27, 2019

The Government has set out a clear vision and blueprint to boost the development of Hong Kong's financial services industry, Financial Secretary Paul Chan said.

Delivering the 2019-20 Budget, Mr Chan said to cope with increasing competition, Hong Kong has to enhance the resilience of the financial system, improve the regulatory regime and increase investor protection.

To improve the quality of listed companies, legislation was enacted in January to expand the remit of the Financial Reporting Council, bolster the independence of the regime for auditors of listed entities and strengthen investor protection.

The Government will raise the amount of seed capital for the council to $400 million to help it migrate to the new regime, and exempt the levy under the new regime for the first two years, Mr Chan added.

Green finance
He also noted the Government rolled out the Green Bond Grant Scheme last year to attract organisations to arrange financing for their green projects through the city's capital markets and encourage them to make use of Hong Kong's green finance certification services.

Many local, Mainland and international organisations, such as the World Bank, the Asian Development Bank and the European Investment Bank, have chosen to issue green bonds in the city.

Green bonds issued in Hong Kong last year amounted to about US$11 billion, more than triple that of 2017.

Mr Chan said Hong Kong is also gearing up for the inaugural issuance of government green bonds.

Financial technologies
To offer the public greater convenience in paying taxes, rates and water charges, Mr Chan said the Government is planning to use the Monetary Authority's Faster Payment System which has received overwhelming response.

The Transport Department, Immigration Department and Leisure & Cultural Services Department will explore the feasibility of accepting payments through this system at their shroff counters on a pilot basis.

The finance chief noted the Monetary Authority will shortly issue virtual banking licences, while banks will implement the Open Application Programming Interface functions in phases to bring more innovative banking services to the public.