

LEE ENGAGES IN PANDA DIPLOMACY

Chief executive hopes Hong Kong can welcome rare animals by National Day

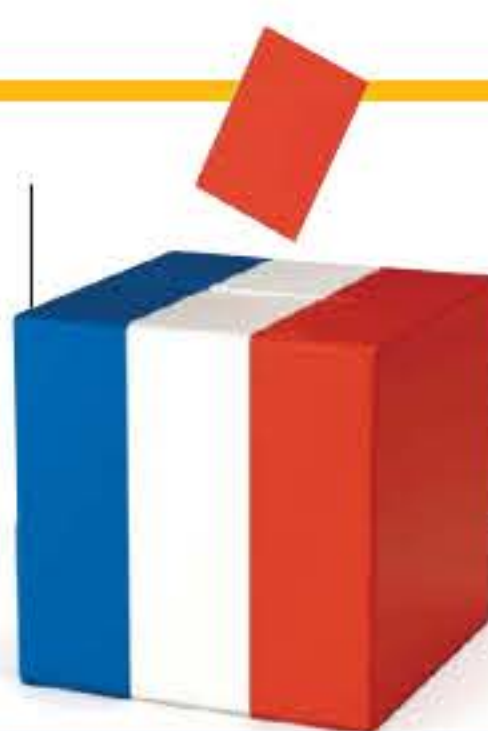
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THE UPS AND DOWNS IN A GIG ECONOMY

Latest in a series on the employment situation on the mainland

> PAGE A4



A CHANGING OF THE FRENCH GUARD

Left surges to a major surprise as far-right comes up short in elections

> PAGE A9

TRANSPORT

TOUGHER PENALTIES FOR ILLEGAL HIRE CARS

Transport bureau proposes stiffer punishment for online ride-hailing services while looking at licensing to regulate platforms such as Uber

Edith Lin and Ambrose Li

Authorities have proposed adopting stiffer penalties for illegal ride-hailing services and relying on licensing to regulate platforms such as Uber as a step towards easing a long-running feud between the city's taxi industry and their online rivals.

The Transport and Logistics Bureau said in a paper published yesterday that tougher penalties would have a deterrent effect, while it would also strengthen taxi services through the launch of premium fleets.

While the document cited regulatory regimes in Singapore, Shenzhen and London, among others, the bureau stressed it was not committed to a particular framework and would develop its own by 2025.

"We will also continue to explore strategic directions for improving personalised point-to-point transport services such as ride-hailing services, taxis and licensed vehicles to meet citizens' demands," it said.

It is illegal for drivers of private vehicles in Hong Kong to accept paid customers without a hire-car permit. Ride-hailing platforms such as Uber are not regulated.

We will assess the types and number of vehicles that can provide services through the platforms

TRANSPORT BUREAU STATEMENT

Uber welcomed government plans to regulate ride-hailing platforms but called on authorities to also create a "workable licensing regime".

"Any move to cap the number of ride-sharing licences in the city would deal a blow to the many drivers who rely on the platform for flexible earnings opportunities," the company said.

"It would also risk making point-to-point transportation more expensive and less reliable for Hong Kong people."

Uber also said it was ready to work with the government and other stakeholders to help shape further regulatory details.

In yesterday's government paper, the bureau said the Transport Department would conduct a study on commuter needs and changes later this year to help inform any proposed regulatory regime. The study was expected to be completed within a year, it added.

"We will assess the types and number of vehicles that can provide services through the platforms under the future regulatory proposals, as well as the relevant licensing requirements for the platforms and drivers," the bureau wrote.

The bureau proposed suspending the licences and registration of vehicles involved in illegal ride-hailing services, as well as impounding the vehicles.

The move would cover vehicles involved in cases where authorities had failed to identify and prosecute the drivers, plugging an existing loophole.

It also called for a minimum driving licence suspension period

for those convicted of offering such services, with 12 months one of the options.

If the proposals are approved, it will mark the second time authorities have strengthened penalties for illegal ride-hailing services since 2023.

"We will work with Hong Kong police and the Department of Justice to study the details of the new rules," it said.

The bureau stressed that proposed regulations for ride-hailing services were not intended to force passengers to switch transport options, noting such a move could contribute to existing traffic levels.

The government needed to control the number of vehicles providing point-to-point transport services, as well as consider the service quality of such options, it added.

Transport authorities said they would assess the impact of next year's launch of the premium taxi fleets and would also need to wait for the verdict from a legal challenge initiated by some ride-hailing drivers.

"We suggest regulating online ride-hailing platforms in Hong Kong by means of using licensing and listing out relevant licensing conditions in the legislation," the bureau wrote.

"With the continuous improvement of taxi service quality, residents can be rest assured that they can use various point-to-point transport services."

The bureau said it hoped to achieve a "win-win" situation for the public and the transport industry.

It added that transport officials were studying the feasibility of requiring taxis to install surveillance cameras and would consult the industry by the end of the year, before raising the matter with lawmakers.

Lawmakers have appealed to the government to relax hire-car permit rules and increase the licence quota if the proposed regulations require drivers on ride-hailing platforms such as Uber to have them.

Authorities said they were not considering an increase in the number of permits at present, citing a need to control the number of vehicles on the road.

But legislator Gary Zhang Xinyu said earlier yesterday that the government had to increase the number of private hire-car permits available if it went ahead with the requirements.

He highlighted the size of the market for online ride-hailing and the huge demand for the service.

The government at present has a quota of 1,500 hire-car permits.

Lawmaker Ben Chan Han-pan welcomed the government's plans to respond to changing commuting trends and study the future development of ride-hailing platforms.

He also brushed aside concerns that any crackdowns on ride-hailing platforms such as Uber would damage the city's competitiveness.

He said that "the taxi service is expected to improve in the near future" as premium cab fleets would launch by the middle of next year.

Chan also said regulations for ride-hailing platforms should be implemented in stages, adding authorities should first assess the performance of premium taxi fleets and consider the impact on the livelihoods of more than 30,000 cabbies.

Working up a thirst



A worker cools off with a bottle of water as he rests under the shade of a beach umbrella at a construction site in Kowloon City yesterday. The Observatory issued a very hot weather warning and said the mercury in many areas of the city had risen to

a scorching 34 degrees Celsius or above in the afternoon. It forecast more very hot weather today but also some isolated thunderstorms that could provide a measure of reprieve from the heat. Photo: Dickson Lee

REDEVELOPMENT

URA looks for investors in Singapore and Macau

Statutory body plans to issue bonds after running up HK\$3.9b deficit

Vivian Au

vivian.au@scmp.com

The cash-strapped Urban Renewal Authority is reaching out to investors in Singapore and Macau for financial help after recording a HK\$3.9 billion deficit, its second straight year of loss.

The authority's head yesterday said it would issue bonds to raise funds and had shared the plan and details of major projects with local and Macau investors, with a Singapore trip planned today to continue the outreach.

URA managing director Wai Chi-sing said the statutory body had not reached out to foreign investors in a long time, adding: "Foreign investors may not be aware of the work carried out by the authority now."

The URA issued bonds for the first time in 2009.

Wai said the authority's promotional efforts were targeting investors from the Asia-Pacific

region because the bonds would be issued in Hong Kong dollars.

The HK\$3.9 billion loss recorded for the 2023-24 financial year consists of a HK\$3.1 billion provision for projects started in the past that could be devalued, while the remaining HK\$830 million was an operational deficit.

Last year, the URA incurred a HK\$1.5 billion deficit for a project it put up for tender in Kowloon City.

The body is also planning to launch redevelopment projects in that same district, Sai Ying Pun and To Kwa Wan this financial year and the next.

The recent downturn in Hong Kong's property market led to the URA recording a deficit of HK\$3.5 billion in the 2022-23 financial year, its first loss in almost a decade.

The situation has been aggravated by the fact that the pool of private buildings 50 years old or more in the city rises by about 560

a year and is expected to total more than 14,800 by 2031, according to government projections.

Financial Secretary Paul Chan Mo-po also raised the URA's borrowing limit from HK\$6 billion to HK\$25 billion last year and it enjoys a credit rating of AA+.

Wai said the authority would promote the city's redevelopments, including a mega project in Kwun Tong town centre, slated to yield 1,750 flats.

The addition of residential elements to the commercial project in Kwun Tong came after a tender for the project received only one bid last February. The offering was later withdrawn.

Wai said that the authority had put significant effort into communicating with investors and modifying the project's components and tendering rules.

"The tender of the project will be launched [again] this year or the beginning of next year, and we are confident that it will not be withdrawn this time," he added.

Authority chairman Chow Chung-kong expressed optimism about the redevelopment project in Kwun Tong, adding that the authority had "modified some of the conditions of the tender this time".

Professor Terence Chong Tai-leung, executive director of Chinese University's Lau Chor Tak Institute of Global Economics and Finance, said he believed that the bonds issuance by the authority would arouse the interests of investors.

"If the interest rate of the bond reaches 4 per cent or above, it must attract investors," Chong said.

14,800
Hong Kong's pool of private buildings 50 years old or more is rising by about 560 a year and is projected to reach this figure by 2031

Bonds could guarantee a stable return amid a difficult economic environment, he noted.

"I believe that even local investors would be interested and would reach the target issuance size of the bonds," Chong said.

Lawmaker Vincent Cheng Wing-shun agreed that the bonds issuance would be attractive as the value of urban redevelopment was very high.

The URA earlier called for a review of the compensation mechanism, under which owner-occupiers of acquired flats are paid an amount equivalent to the price of a comparable seven-year-old flat in the same district.

The move was part of an effort to ensure the sustainability of the city's renewal efforts and the authority's financial health.

But the idea was not welcomed by the development chief, with industry figures asking for incentives to encourage private participation in urban renewal instead.

The Legislative Council is expected to discuss the annual results and future works of the authority next Monday.

DIPLOMACY

Xi calls for Ukraine ceasefire during Orban visit

Kawala Xie

kawala.xie@scmp.com

President Xi Jinping called for a ceasefire in Ukraine and direct dialogue between Moscow and Kyiv during yesterday's talks with Hungarian Prime Minister Viktor Orban.

Hungary's leader was making a surprise visit to Beijing as part of his "peace mission" for Ukraine. It came after Orban visited Kyiv and Moscow for the first time since Russia invaded its neighbour in 2022.

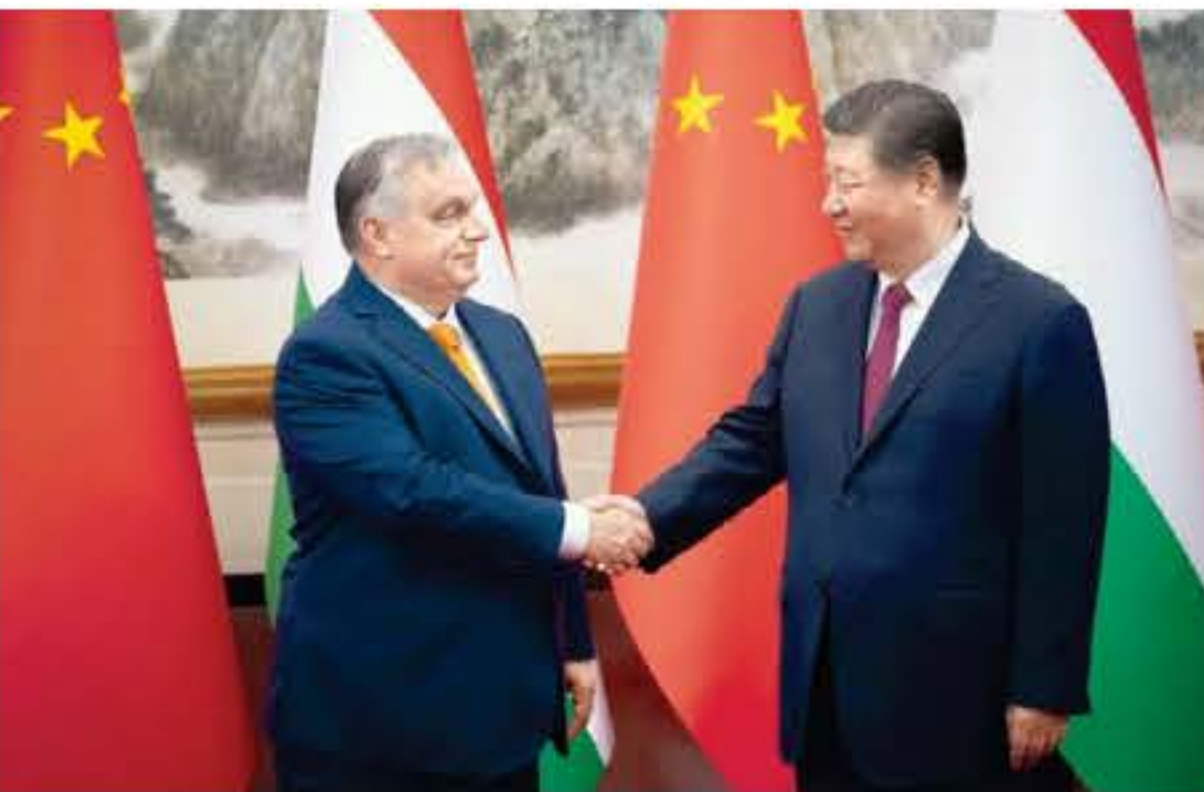
Budapest has stepped up mediation efforts after taking over the rotating presidency of the European Council this month. But its proposal for a ceasefire and negotiations did not attract much interest from the two warring states last week.

The Central European nation maintains close ties with both Russia and China and supports Beijing's peacemaking efforts on Ukraine, including a proposal with Brazil in May calling for conditions to be created for direct negotiations between Moscow and Kyiv.

In Beijing yesterday, Xi praised Orban's efforts after the Hungarian leader briefed him about his visits to Kyiv and Moscow. He said China and Hungary would maintain communication on Ukraine as their peace efforts were largely "aligned".

"China has been actively promoting peace talks in its own way and encourages and supports all efforts conducive to peaceful resolution of the crisis," Xi said, according to Xinhua. "It is in the interests of all parties to have a ceasefire and end the war at an early date and seek a political solution."

"The international community should create conditions and provide assistance for the two sides to resume direct dialogue and negotiations. Only when all major powers exert positive energy instead of negative energy will this conflict see the dawn of a ceasefire."



Hungarian Prime Minister Viktor Orban is greeted by President Xi Jinping before their meeting in Beijing yesterday. Photo: AP

Orban told Xi he appreciated China's efforts and that Beijing's advocacy for peace had "great importance", according to a video from the meeting posted on Orban's Instagram account.

In a post on Facebook, Orban said China was a "key player" to bring peace to Ukraine. "In addition to the warring parties, it depends on the decision of three world powers, the United States, the European Union and China, when the Russian-Ukrainian war will end," he wrote.

Hungary has been at odds with the European Union's support for Ukraine as it blocked and delayed aid to the war-torn country. Orban's meeting with Russian President Vladimir Putin last week was harshly criticised by the bloc and fellow member states, with European Council President Charles Michel saying Hungary had "no mandate" to engage with Russia on behalf of the EU.

Orban's peace mission comes as the bloc has been increasingly divided on support for Ukraine. His hard-right party is also in the process of forming what could be the dominant right-wing alliance in the European Parliament.

including France's National Rally party led by Marine Le Pen, which opposes more funding for Kyiv.

Orban's next stop is Washington, where Western leaders will gather to discuss Ukraine at a Nato summit that begins today.

Like Hungary, China's position on Ukraine has also met with a wary eye from the EU, which has sanctioned some Chinese companies over their links to Russia. However, many EU officials are still looking to Beijing to play a peacemaker role given its influence in the Global South and Xi's personal ties with Putin. The pair discussed Ukraine when they met on the sidelines of the Shanghai Cooperation Organisation summit in Kazakhstan last week.

But neither China nor Russia were at last month's Ukraine peace summit in Switzerland. Beijing refused to attend because Moscow was excluded from the talks, and Ukrainian President Volodymyr Zelensky accused China of working with Russia to undermine the summit.

> CHINA-BELARUS JOINT DRILL A6



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DAY BY DAY

MY TAKE - ZHOU XIN

New economic blueprint needs to address demographic challenges

China has found out the hard way that the real problem is not runaway population growth, but an uncontrollable decline it must try to reverse

The last major meeting to discuss China's long-term economic planning, namely the third plenum of the 18th Central Committee of the Chinese Communist Party held in November 2013, is remembered not only for its pro-market reform blueprint, but also as a turning point in the country's population policy. In the policy blueprint from that meeting, leaders decided to call an end to the country's one-child policy. It was decided that a couple could have a second child provided either parent was an only child. This was a limited relaxation, but it marked a watershed moment in China's population policy as draconian birth controls had finally come to an end. This was followed by two other steps – a "full" two-child policy in 2015 and a "three-child policy" in 2021. China's family planning law stipulates that couples can have three children. But in reality, couples are encouraged to disregard the birth limit and can have as many children as they want. An administrative system designed to punish "unplanned" births has been totally abolished.

Big changes need to be made to the country's state pension and healthcare systems to serve a rapidly ageing society

The government will no longer levy hefty fines on those who refuse to control the number of children. Film director Zhang Yimou's US\$1 million fine in 2013 for violating the birth policy was the last well-known example. Sterilisation is not banned but requires medical proof that it is a necessary procedure. But the measures have failed to lift China's birth rate. In 2014, the country had 16.87 million births. In 2023, that number dropped to 9.02 million, and the number could be similar, if not lower, this year given the country's weak economic situation. There's a growing recognition in China that it is facing a "grey rhino" problem when it comes to population, with a shrinking labour force, plummeting births and rapidly ageing

population. The economic implications from these changes will be massive. The lessons are clear to see from China's family planning policies. The country has found out the hard way that the real problem is not runaway population growth, but an uncontrollable decline. After nearly four decades of mobilising the state's resources to curb births, the government is facing a new daunting task of encouraging them. Many local governments have started taking initiatives to encourage births, including lower down payments for home purchases by families with more than one child, while some companies have volunteered to shoulder "social responsibility" by encouraging births among their employees. China's online travel agency Trip.com, for instance, has a policy of providing an annual 10,000 yuan (HK\$10,745) subsidy for each new birth among employees, payable for five consecutive years. But from the nationwide perspective, there is still little policy designed to confront the problem. The third plenum of the 20th Central Committee this month offers a chance to address the problem using a "top down" approach. First of all, China has to phase out all regulations, institutions and even advisers who are closely associated with birth controls. For example, the "three-child" policy has become redundant because the "three" is meaningless – it is neither the upper limit nor the lower limit. Secondly, big changes need to be made to the country's state pension and healthcare systems to serve a rapidly ageing society. While China has built up a basic welfare state with extensive coverage, the system is very fragmented and unfair for many. For example, many migrant workers from the countryside who have worked for years or even decades in cities are still not entitled to a proper pension. The government must allocate a lot more resources to look after its ageing population. The long-term solution for the demographic problem is to achieve a fertility rate of 2.1 to maintain a steady population. This means making systemic changes to policy and social settings to create a "birth friendly" society. On one hand, the government has to assign financial resources to every newborn, such as nationwide subsidies, but on the other hand, it has to re-engineer social perceptions and beliefs about marriage, birth and family – a task that can take decades to achieve results.

HARRY'S VIEW ON SECONDARY SCHOOL ALLOCATIONS > A5



VIDEO SPOTLIGHT

Singapore bar hits the right note with heavy metal fans

Hidden away inside the nooks and crannies of an old shopping centre lies Singapore's only heavy metal bar. Flying V is a metal music oasis in the otherwise manicured environment of the Southeast Asian city state. Owners George Kirton and Ross Knudson said rock and metal music were under-represented in Singapore, and wanted to provide a space for fans to hang out. The niche bar not only serves metalheads, but also occasionally holds meet-and-greets for fans to get to know their favourite metal artists, including guitarists from Deep Purple, Megadeth and Cacophony – and has Iron Maiden's "Trooper" beer on tap.





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CONGRATULATIONS

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With 40 Points or More

4.7

Average Number of University Offers



Examples of University Offers

Hong Kong • Chinese University of Hong Kong • University of Hong Kong • Hong Kong University of Science and Technology • Hong Kong Polytechnic University • City University of Hong Kong • Education University of Hong Kong | **United Kingdom and Europe** • Imperial College London • King's College London • London School of Economics and Political Science • Queen Mary University of London • University College London • University of Bath • University of Birmingham • University of Bristol • University of Cambridge • University of Edinburgh • University of Glasgow • University of Nottingham • University of Manchester • University of Oxford • University of Glasgow • City, University of London • Goldsmiths, University of London • University of St Andrews • University of the Arts London • University of Warwick | **North America** • Boston University • New York University • Northeastern University • Parsons School of Design • Pratt Institute • Rutgers University • School of the Art Institute of Chicago • Simon Fraser University • University of British Columbia (UBC) • University of California Davis • University of California Irvine • University of California Los Angeles • University of California San Diego • University of Chicago • University of Illinois Urbana Champaign • University of North Carolina Chapel Hill • University of Toronto • University of Washington • University of Wisconsin • Madison • University of Waterloo • Vanderbilt University • Yale University

Examples of Degree Subject Choices

• Animation • Architecture • Art History • Biochemistry • Biomedical Science • Cognitive Science • Computer Engineering • Economics and Finance • Economics, Psychology and Philosophy • Electrical Engineering • Fashion Marketing • Global China Studies • Global Health and Development • Geology • History • Material Science • Mathematics • Medicine • Law • Physiotherapy • Urban Studies • Veterinary Medicine

Notable Scholarships Received

• CUHK Entrance and University Admission Scholarship
• HKU Admission Scholarship • HKUST Engineering Admissions Scholarship • Queen Mary University of London Global Talent Scholarship • University of Toronto International Scholar Award • University of Glasgow Undergraduate Excellence Scholarship • ArtCenter Undergraduate Scholarship • University of British Columbia Outstanding International Student Award

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POSTS FROM THE PAST

2019

India's ambassador to China, Vikram Misri, warns the two nations need to tackle their growing trade deficit before it becomes a politically sensitive issue in his country. Misri, on a visit to the Indian consulate in Hong Kong, says the two countries need to have a "very intense dialogue" about trade.

2014

"Unexpected shocks" such as the planned Occupy Central protest may trigger a property market slump, leading international bank Barclays says. It also warns it will take Hong Kong longer to recover than after the crashes of 2003 and 2008. Barclays believes prices have deviated too far from fundamentals.

2009

Beijing stages a massive show of force in Urumqi, segregating Han and Uygur populations in the violence-torn city, as President Hu Jintao pulls out of the G8 summit in Italy and hurries home to deal with the crisis. Beijing pours thousands of troops from military regions across China into the capital of restive Xinjiang.

2004

Hospital Authority chairman Leong Che-hung becomes the second victim of the Legislative Council severe acute respiratory syndrome (Sars) inquiry and resigns. It comes a day after Secretary for Health, Welfare and Food Yeoh Eng-kiong quits to take political accountability for the mishandling of the outbreak.

CORRECTIONS & CLARIFICATIONS

The article headlined "Malaysia protests as Manila filing reignites dispute", published on page A8 on July 4, stated that a French court's US\$15 billion ruling against Malaysia included compensation from Petronas. In a statement, Petronas clarified that the ruling was against Malaysia and "Petronas is not party to the arbitration proceeding. The arbitration award does not include any compensation due from Petronas".

The article headlined "Cathay urged to build on belt and road potential", published on page A1 yesterday, should have said HK\$2.44 billion is the total amount in preference share dividends that will have been paid to the government and not the amount remaining up to July 31.

LEADING THE NEWS

EXCLUSIVE

HKUST, Imperial College in talks on new medical school

Proposal for city's third such institution to be submitted by end of this month, source says

Elizabeth Cheung
elizabeth.cheung@scmp.com

The Hong Kong University of Science and Technology (HKUST) is discussing establishing a medical school with Imperial College London, with a detailed proposal to be submitted to local authorities by the end of this month, the Post has learned.

A source familiar with the arrangement yesterday said HKUST had discussed the option with educators from the top British institution, which also jointly operates a medical programme with a university in Singapore.

"People from Imperial were [in Hong Kong] for a week," the insider said. "Both sides are serious, such as what the curriculum should be, what kinds of students should be admitted and what qualifications they should have."

The medical school would be the city's third, joining ones operated by the University of Hong Kong and the Chinese University of Hong Kong, and would come amid a struggle to find enough doctors.

There is a need to establish a third one targeting students with a first degree to recruit the best people from the world

ANTHONY WU,
FORMER HOSPITAL AUTHORITY CHAIRMAN

HKUST president Professor Nancy Ip Yuk-yu had earlier said the university would be collaborating with an institution in Europe to run the proposed facility. It aimed to establish the medical school before mid-2027 and was considering recruiting first-degree students, Ip added.

The source said a detailed proposal, covering aspects such as the number of staff needed and the reasons for setting up the new medical school, would be submitted to Secretary for Health Lo Chung-mau by the end of July. Chief Executive John Lee Ka-chiu had made no objections to the plan but would seek Lo's opinion before deciding whether to offer his full support.

The source also said Ip had sought support from Beijing, which hopes Hong Kong can become a biomedical hub.

The source added that Queen Elizabeth Hospital in Jordan had spoken to HKUST about serving as a teaching hospital, but further progress depended on securing approval from authorities.

HKUST has identified at least two possible sites for the medical school, with one located next to its campus in Clear Water Bay and the other in Tsung Kwan O.

In a reply to the Post, HKUST said it was still in talks about the proposed medical school.

"We are continuing our discussions with the relevant bureaus

and hope to move as quickly as we can because we believe this is good for both Hong Kong and the mainland," it said.

The Health Bureau said in a statement yesterday that it would keep an open mind towards any initiatives that could help nurture local medical students and increase the supply of health-care-related manpower.

The bureau said it would consider a range of factors when reviewing a proposal for a medical programme, including the development needs of the healthcare system, local manpower projections, the demand and supply of teaching staff, and the relevant teaching and training facilities.

It would also make further considerations after discussions with relevant policy bureaus on the development of tertiary institutions, the financial resources required and the land supply for university campuses.

The bureau said it had been maintaining communication with HKUST regarding the plan, and had so far received a few pages and slides with an initial outline.

"The bureau has learned from HKUST that the plan is still in its planning stage, while detailed proposals are still being formulated," it said, adding the university had not yet submitted a detailed proposal.

"It is too early to comment on the relevant plan at the current stage."

The Post has approached Imperial College London for comment.

Former Hospital Authority chairman Anthony Wu Ting-yuk earlier yesterday said Hong Kong should set up its third medical school by 2027 and target first-degree holders to expand the candidate pool and help tackle a shortage of doctors.

Wu also said the city had public hospitals ready to serve as teaching sites, with a new institution under construction at Kai Tak being one such option.

He said that relying on non-local doctors to practise in Hong Kong was not a sustainable solution amid a global shortage, and underscored the need to train more local practitioners as the city contended with an ageing population. He also noted the two existing medical schools had increased their annual intake to nearly 300 each, beyond optimal levels of about 200.

"There is a need to establish a third one targeting students with a first degree to recruit the best people from the world," Wu said.

Wu said a graduate-entry approach would also prevent the new institution from competing with the other medical schools for students sitting the Diploma of Secondary Education Examination.

The new school could recruit 50 students in its first year, before gradually increasing its annual intake, he said, adding that he hoped it would not only train fresh doctors but also those interested in pursuing scientific research.

Alongside HKUST, Polytechnic University and Baptist University have both indicated their interest in establishing a medical school. Additional reporting by Jeffie Lam and Oscar Liu

HOUSING



Rents at locations like Un Chau Estate in Cheung Sha Wan are set to be raised by 10 per cent. Photo: Sam Tsang

Public housing provider to increase rents by average of HK\$230 later this year

Edith Lin
edith.lin@scmp.com

Public housing tenants are expected to pay an extra 10 per cent in rent a month, the maximum allowed under a government mechanism, the Housing Authority has said.

The public rental housing provider yesterday said the increase would range between HK\$49 and HK\$572, with about 60 per cent of tenants set to pay up to HK\$250 extra.

Secretary for Housing Winnie Ho Wing-yin said the average increase was HK\$230.

"This is an amount that many residents can afford," she said. "We also have different policies to assist families in need."

Ho added that eligible families in financial difficulty could apply for rent assistance that offered a reduction of up to 50 per cent.

She said the government had been paying rent for those supported by the Comprehensive Social Security Assistance scheme, which was intended to cover recipients' basic needs.

The authority reviews public housing rent once every two years. There is a 10 per cent cap on the increase rate, but no restriction on reductions.

The rate of increase initially reached 10.73 per cent this year as surveyed households earned more in 2023 than in 2021. But Ho

said the government had no plans to review the 10 per cent cap.

Once approved, the increases will take effect in October with a three-month waiver for most tenants, according to the authority.

It added that "well-off tenants", meaning those who exceeded certain income and asset thresholds, would not qualify for the exemption and would start paying the adjusted rents as soon as they came into force.

The body described the waiver as a one-off "special concessionary measure" after considering "the prevailing socio-economic circumstances, the extent of the rent increase, impact on the public rental housing tenants and the authority's financial position".

The three-month waiver would cost the government HK\$575 million in the 2024-25 financial year, contributing to an expected deficit of about HK\$591 million for its rental housing operating account, it added.

The authority also rejected suggestions to waive rents for one month, as the body would lose HK\$2.11 billion in rental income over the period, contributing to an estimated HK\$2.13 billion deficit for its rental housing operating account that year.

The housing body said the 10 per cent increase in rents would generate HK\$2.3 billion in additional annual revenue, but it still projected a HK\$16 million deficit

for 2024-25, while a HK\$185 million surplus was expected for the year after.

Lawmaker Scott Leung Man-kwong, who serves on the authority's subsidised housing committee, said the latest proposal struck a balance between the body's financial situation and the financial burden on low-income families.

But he said the rent review mechanism used statistics from a year ago and had not factored in the latest economic situation, adding that he hoped such data could be incorporated into future plans.

Meanwhile, fellow lawmaker Bill Tang Ka-piu expressed concerns the increase would place more pressure on low-income tenants and urged the government to expand the scope of its rent assistance scheme.

As of March, about 807,800 households lived in public rental flats, with 80 per cent of them paying normal rent. Only 4 per cent, or 34,700, were well-off tenants who had to pay up to double the standard rent, plus rates.

Public housing rents were last raised by 1.17 per cent in 2022. The rise ranged from HK\$5 to HK\$66 per month, and averaged HK\$26. The authority waived the extra rent tenants were required to pay in the first 12 months after the increase took effect.

> EDITORIAL A10

SOCIETY

PUSH FOR PANDAS TO ARRIVE BY OCTOBER 1

John Lee pledges to work on arranging for pair to land in city by National Day as he visits Sichuan to discuss preparations for rare animals' transfer

Ambrose Li and Jess Ma

Chief Executive John Lee Ka-chiu has said he will try to arrange for a pair of giant pandas to be sent to the city by National Day on October 1, as he led a delegation to Sichuan province to prepare for their arrival.

Lee made the pledge yesterday after he and his wife, Janet Lee Lam Lai-sim, visited the Dujiangyan Base of the China Conservation and Research Centre to learn more about feeding and nursing the giant pandas, as well as transfer arrangements.

"I'm particularly happy to be here. I believe the public will share my excitement when the pair of pandas arrive in Hong Kong and will hope to get close to them," Lee said. Asked whether the rare animals might arrive by National Day, Lee said he would surely "push for that to happen".

Lee led the delegation to Sichuan on Sunday to discuss preparations for the transfer of two giant pandas gifted to the city by Beijing as part of the 27th anniversary celebrations to mark Hong Kong's return to Chinese rule.

When asked whether he had picked the bears yet, he said: "Many of them are very charming ... Some looked strong while others looked elegant. They seemed to be enjoying their food."

Lee earlier said he would also seek to understand during his visit the country's latest progress in the field of giant panda conservation and research, and share his experience with relevant Hong Kong agencies.

The two new pandas, with age and sex to be announced, will be the third pair Beijing has given the city since 1999.

On Saturday, Secretary for Culture, Sports and Tourism Kevin Yeung Yun-hung, also part of the delegation, said the city government had expressed to

Beijing its hope to have baby giant pandas born locally.

Previous efforts to help the sole surviving pair of pandas in Hong Kong, Ying Ying and Le Le, to breed have not been successful due to a variety of factors.

Yeung also revealed the new pandas were expected to arrive in Hong Kong within three months after passing a month-long quarantine in Sichuan. But he did not give further details on the exact date of arrival.

The two animals would be added to the collection of Ocean Park in Southern district, joining Ying Ying and Le Le.

I believe the public will share my excitement when the pair of pandas arrive in [the city]

CHIEF EXECUTIVE JOHN LEE

The latter pair of pandas, who arrived in 2007, were the second that Beijing gifted to the city. The bears will celebrate their 19th birthday in August, an age equivalent to about 57 human years.

The first pair, male An An and female Jia Jia, arrived in the city in 1999. Jia Jia died aged 38 in 2016 while An An died at 35 in 2022.

Ying Ying and Le Le were quarantined for 30 days before they were flown to Hong Kong in April 2007, and then needed another two months of quarantine and adaptation before making their official debut on July 1 that year.

Asked whether Ocean Park needed more staff to look after the newcomers, it said many of its caretakers and vets had been there since 1999 and had "great experience" caring for pandas.



John Lee and his wife Janet help to prepare "wowotou", a type of cornbread favoured by giant pandas, in Sichuan yesterday. Photo: ISD

SCIENCE

New low-cost solid-state battery may drive EV industry breakthrough

Dannie Peng
dannie.peng@scmp.com

Chinese scientists say they have successfully developed a solid-state lithium battery that can match the performance of other candidates in the field of next-generation battery technology but at less than 10 per cent of the cost.

The move puts China a step closer to its ambition to be first to deliver what many regard as the future of rechargeable battery technology, with its potential to revolutionise the electric vehicle industry.

While there have been significant advances in traditional battery packs, their bulk, weight – and potential fire risk – are out of step with the requirements of lightweight, reliable EVs.

Replacing the liquid electrolytes of conventional lithium batteries with a solid-state alternative could promise faster charging times, better

performance and improved safety standards.

But large-scale use of solid-state alternatives to conventional lithium batteries has been hampered by high material and manufacturing costs, sparking a global race for a commercially viable solution.

The researchers, from the University of Science and Technology of China (USTC) in the eastern province of Anhui, said they had developed a type of solid electrolyte that was hoped could hold great

US\$14.42

The ingredient cost per kilogram of the new sulphide solid electrolyte battery, less than the US\$50 limit needed for the technology to be commercially viable

promise for commercial applications. According to a paper published by the German Chemical Society's Angewandte Chemie, one of the world's leading chemistry journals, the team took a new approach to a problem that has plagued researchers for more than a decade.

Major industry players, including Japan's Toyota and South Korea's Samsung, have invested substantially in research and development for a suitable solid-state electrolyte, with three main contenders – oxide, sulphide and chloride types.

Sulphide is generally considered the most promising candidate for the eventual practical application of all-solid-state batteries because of its excellent performance, but its high cost remains prohibitive.

In an interview with state-run newspaper Science and Technology Daily, USTC researcher Ma Cheng explained the root of the problem in terms of simple economics.

A commercially viable solid-state

battery electrolyte must cost less than US\$50 per kilogram to produce, but sulphide electrolytes are generally priced at more than US\$195 per kilogram.

"Although researchers around the world are striving to reduce the cost through various methods, long-term exploration has shown that it is quite difficult to achieve this goal," Ma told the paper.

To overcome this challenge, Ma and his team set out to develop a new sulphide solid electrolyte, which they have called LPSO, that does not require lithium sulphide as a raw material.

LPSO is synthesised from two low-cost compounds, at an ingredient cost of just US\$14.42 per kilogram – less than 8 per cent of the raw material costs of other sulphide solid electrolytes.

According to the researchers, the price reduction came with no loss of the unique advantages offered by the best performing current forms of sulphide solid electrolytes, including

acceptable anode compatibility, which determines performance stability.

LPSO matched well with high energy density anodes such as lithium metal and silicon, with a battery made from a combination of the new material and lithium metal maintaining more than 4,200 hours of stable cycling at room temperature, the paper said.

But Ma told Science and Technology Daily that LPSO "is still expected to achieve further improvements in performance, and we are working towards that".

Companies from Japan, South Korea, Europe and the United States – which have been lagging behind China in traditional lithium batteries – are pinning their hopes on next-generation battery technology, including solid-state batteries, to take the lead.

Both Toyota and Samsung are reported to be targeting 2027 for the commercial release of their all-solid-state batteries.

As other nations accelerate their efforts to achieve a commercially viable version of the technology, China's battery and car makers have joined forces as part of a government-led drive to build a solid-state battery supply chain by 2030.

In January, Beijing launched the China All-Solid-State Battery Collaborative Innovation Platform, a consortium that brings together government, academia and industry, including EV battery giants CATL and BYD.

In May, Chen Lique – "father of the Chinese lithium battery" – said the strategy aimed to keep China in the race to develop what he described as "the future of rechargeable battery technology".

"Only by seizing the first opportunity can China remain in a proactive position" in the development of solid-state lithium batteries, said Chen, 84, from the Chinese Academy of Sciences' Institute of Physics, in an interview with China Science Daily.

FOCUS

Amid China's economic struggles, joblessness is a major headache for Beijing. In this series, we examine the range of issues facing the world's second-largest economy, as well as the

political implications. Here, Mandy Zuo looks at the situation for millions of gig workers who enjoy flexibility but also lack job security, while Alice Li probes broad lay-offs in major sectors.

Life's ups and downs

Over the past five years, Shao Zhen has mostly been a gig worker, making a living from various temporary jobs including as a vlogger sharing his home decoration experience and a loudspeaker manufacturer and seller.

Before that, the 43-year-old from Zhejiang province in the country's east had taken up several full-time contracts, including working at a bank and in a computer store, but quit after being "fed up with all the boredom and low pay".

"In a sense I work gig jobs at my own instigation, but I may also say it's a forced option because I can't find satisfactory formal employment," he said.

Shao is among a growing number who are embracing flexible work amid the rise of the digital economy and growing competition for formal job opportunities as growth of the world's second-largest economy slows.

In China, the most common forms of gig workers include freelancers, food delivery riders, live-streaming broadcasters and ride-hailing drivers.

The number of gig workers stood at around 200 million over the past three years, representing about 23 per cent of China's working population, according to the National Bureau of Statistics.

With businesses cutting jobs amid a bumpy post-pandemic recovery and record numbers of fresh university graduates entering the job market each year, authorities are increasingly promoting gig work to bolster employment, which Beijing sees as a foundation for social stability and consumer confidence.

Officially tagged as "flexible employment", gig work is not bound by formal employment contracts and includes part-time and temporary jobs.

"Flexible employment is now in every industry and every field, becoming a new normal of the labour market ... it's played a role as 'the new engine' for employment," said Bao Chunlei, a researcher from the state-backed Chinese Academy of Labour and Social Security think tank in an article in April.

According to leading recruitment agency Zhaopin in May, 19.1 per cent of college graduates this year chose to be "slowly employed", while 13.7 per cent opted to be "flexibly employed". "Slowly employed" is a popular phrase for staying unemployed or continuing with academic study.



In a sense I work gig jobs at my own instigation, but I may also say it's a forced option because I can't find satisfactory formal employment

SHAO ZHEN, WHO HAS BEEN MAKING A LIVING FROM VARIOUS TEMPORARY JOBS OVER THE PAST FIVE YEARS

In comparison, a similar survey last year showed the proportions were 18.9 per cent and 13.2 per cent, respectively, the report said.

The trend is growing against the backdrop of an enlarging gig economy globally.

In the United States, a record 64 million people – accounting for a third of its workers – turned to freelance jobs last year, mostly providing knowledge services or working as social media influencers, according to a survey by recruitment firm Upwork.

The trend is also happening as better educated people become more comfortable with flexible

work – which in the past mainly referred to odd jobs taken by migrant workers – as new economic formats and forms of employment emerge.

About three-quarters of over 2,000 college graduates surveyed in China in 2022 said they were willing or had clear plans to embrace gig work, according to a research paper published in the January issue of "China University Students Career Guide", a monthly journal under the Ministry of Education.

"College students are increasingly paying attention to and favouring flexible employment, which has become an important

social phenomenon that we must face up to and confront," it said.

Graduates who had adopted flexible employment were distributed in a range of industries, including mobile internet, the service sector, finance, computing and gaming, the study found.

"This is inseparable from the active platform economy in China in recent years," it said, suggesting authorities should "actively guide college students into flexible employment" as they struggle to create jobs for young people.

Beijing has rolled out a slew of measures to support gig workers in the past few years, including an instruction issued in December to

standardise the 6,900 gig job markets.

Li Yunze, director of the National Administration of Financial Regulation, vowed to offer tailor-made insurance products for flexible workers, including delivery workers and ride-hailing drivers, at the Lujiuzui Forum in Shanghai last month.

However, the influx of unemployed individuals has led to a surplus in the ride-hailing industry and a decline in drivers' earnings.

From September to May, the number of online ride-hailing cars in Guangzhou increased by 24.4 per cent to 121,200, while registered drivers rose by 9,400, the Guangzhou Municipal Transportation Bureau said this month.

The nature of being flexibly employed has led to a series of issues including unclear definitions

During this period, the average number of daily orders for ride-hailing drivers dropped from 14.21 to 12.22, while their average daily revenue fell by 9.2 per cent to 311.63 yuan (HK\$334.90).

According to the Guangzhou Daily, drivers, even without taking any rest days for an entire month, earned no more than 10,000 yuan per month before deducting vehicle costs.

And while the gig economy was an "inevitable trend", there were still plenty of issues to tackle as it grew, added Bao.

"The nature of being flexibly employed has led to a series of issues including unclear definitions, incomplete statistics, difficulty in labour rights' protection and implementation of supportive measures," he wrote in his article.

For Shao, the biggest disadvantage of freelancing is relatively poor social security, as he needs to pay a large sum every month if he wants to have similar benefits as an average employee.

"I hope the government can share more of this burden in the future," he added.

Additional reporting by Mia Nulimaimaiti

Economic slowdown takes toll as key industry players slash headcount

Post review of leading firms' annual reports finds more than half downsized last year

Broad lay-offs across major sectors illustrate how the nation's economic slowdown is taking a toll on its workforce – with key industry players almost universally reducing headcounts and slashing salaries.

According to a comprehensive Post review of annual reports from 23 Chinese firms – comprising the top five companies by market cap in each of the real estate, internet, automotive and financial industries, as well as three prominent electric vehicle (EV) makers – 14 downsized their workforces last year while others cut staff-related expenses to rein in costs.

"With low profit margins amid a sluggish economy, private companies are understandably adopting workforce reductions," said Ding Shuang, chief economist for Greater China with Standard Chartered.

"State-owned enterprises, on the other hand, may resort to payroll adjustments to save money."

China's economic growth, which is widely expected to be around 5 per cent this year, has tapered off in recent years relative to an annual growth rate that had been nearly twice as fast.

In a 10-year period from 2002-2011, the economy never dipped below 9 per cent growth, and in half of those years it was in the double digits.

But for years, the property market, once a growth engine, has been grappling with a debt crisis. Internet companies have shifted their focus to profitability amid slowing revenue growth.

Automotive and solar panel manufacturers face a brutal pricing war due to domestic overcapacity driven by fierce competition. And financial firms are feeling the pinch, as well.

In the country's property sector, all five market-cap leaders the Post reviewed saw a decrease in employee

numbers in 2023. Poly Real Estate, China's biggest developer by market capitalisation, cut 16.3 per cent of employees, or 11,000 jobs, in the past year.

Greenland Holdings, a Shanghai-based real estate corporation, also saw a decrease of 14.5 per cent in staff to nearly 60,000 by the end of 2023.

Developers have been facing significant financial pressure since 2021, after the government released new regulations to impose debt limits on them. Despite a series of rescue packages launched by Beijing to invigorate demand and lift the property market, real estate investments and sales remain sluggish.

Meanwhile, the internet sector, which is traditionally a significant

source of jobs, has experienced a similar trend amid cost-cutting efforts.

E-commerce giant Alibaba downsized by 12.8 per cent, or 20,000 jobs, in the 2023 financial year, following a 7 per cent cut in the previous year. Last year saw the biggest workforce culling by the company in a decade, according to its annual reports. Alibaba is the owner of the Post.

The number of employees in Tencent declined by 2.8 per cent, or about 3,000 in the past year, and the company has not stopped its lay-off pace. In the first quarter of 2024, the company further reduced its headcount by 630.

Gone are the days when internet firms set ambitious business targets and rapidly expanded.

Just three years ago, about 27 per cent of China's working-age population was said to be employed by internet platform companies – such as the operators of online services including social media, video gaming, e-commerce and food delivery – according to a report by the China Information Economics Society, a think tank.

But today, many are paying the price for such aggressive expansions. A recent example was video game developer Perfect World, which kicked a new round of staff cuts at the end of June, according to local media reports. The lay-offs came after a 112 per cent plunge in the company's net profits in the first quarter of 2024.

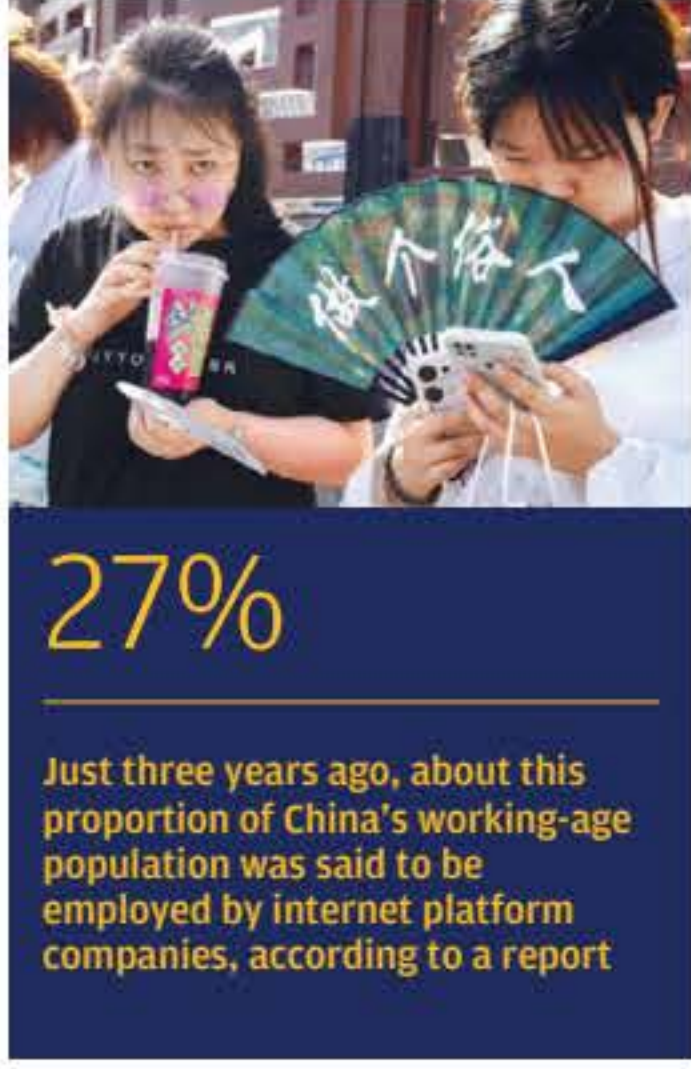
Perfect World joined bigger industry peers in cutting costs. Earlier this year, ByteDance, Xiaomi, JD.com, Kuaishou Technology, Didi Chuxing, Bilibili and Weibo all announced lay-off plans.

In the financial industry, where most of the leading players are owned by the state, brokers and funds have largely been cutting compensations and benefits, rather than resorting to large-scale lay-offs.

Such decisions underpin the "iron rice bowl" mentality that draws young people to state jobs. And such positions have grown so attractive that in some parts of China getting a government job is said to be like "getting a passport to love and marriage".

China International Capital Corporation said it cut staff-related costs by 43.4 per cent more in the first quarter of 2024 compared with a year prior. At the same time, other top securities brokerage firms, including Citic Securities, CSC Financial, and Guotai Junan Securities, saw a cut in labour costs.

In the automotive industry, amid a bruising pricing war, China's biggest home-grown EV makers, including Li Auto, Xpeng and Nio, all reported cuts in human resource costs.



After an ambitious 62 per cent workforce expansion in 2023, Beijing-based Li Auto has laid off 18 per cent of its employees since May – more than 5,600 – as sales fell short of expectations, according to the 21st Century Business Herald.

Guangzhou-headquartered Xpeng reduced its headcount by 14.4 per cent in 2023, during which the company saw a 10 billion yuan (HK\$10.7 billion) net loss, according to its annual report.

Shanghai-based Nio said in its first-quarter report that operating expenses dropped 25.5 per cent from the previous quarter. The cut was attributed to "decreased personnel costs in research and development functions in the first quarter of 2024".

With an EV-purchase subsidy having been lifted by the government at the end of 2022, car manufacturers are facing an increasingly competitive market.

All three of the premium EV carmakers reported a month-on-month decrease in revenue of more

than 35 per cent in the first quarter of this year.

EV giant BYD, alone among major carmakers, aggressively expanded in 2023, growing its workforce by more than 130,000 employees, a 23 per cent increase from the previous year.

Elsewhere, in the photovoltaic (PV) industry, China's Longi Green Energy Technology, the largest maker of solar panel materials in the world, would lay off 5 per cent of its workforce, as reported by local media Yicai in March.

The company reported a net loss of 2.3 billion yuan in the first quarter of 2024, following a 942 million loss in previous quarter.

China added nearly 217 gigawatts of photovoltaic capacity in 2023, a 147 per cent increase from the previous year, contributing to more than half of the world's new PV capacity in the last year.

However, facing competition and export curbs from Western countries, Chinese companies in the PV sector, including Tongwei, JinkoSolar and Longi, all reported profit slides in the first quarter.

The persistent trend of lay-offs and staff-related reductions across the country will cast a further pall over domestic demand as consumers are likely to adopt a more cautious approach to spending due to the lack of confidence in stable income growth, according to Ding.

China is grappling with deflationary pressure as domestic demand remains weak. The consumer price index – a key gauge to inflation – has been around net zero since last April.

"To mitigate the lay-off trend, the key is to revive the economy through the creation of a fair and supportive investment environment for the private sector," Ding said.

"With enough confidence, investors will use their own instincts to discover new promising industries, which will result in new job opportunities."



The country's economic growth rate, which is widely expected to be around 5 per cent in 2024, has tapered off in recent years. Photo: AP

HONG KONG

EDUCATION

62% of pupils land their first choice of secondary school

Extra births in Year of Dragon blamed for lowest figure via central allocation system since 2020

William Yiu
william.yiu@scmp.com

Sixty-two per cent of applicants have secured their first choice of a secondary school through the central allocation system, the lowest proportion since 2020.

The Education Bureau said yesterday 51,393 Primary Six children were allocated places via the system. The proportion securing their first choice of schools was 66 per cent last year, 71 per cent in 2022, 67 per cent in 2021 and 62 per cent in 2020.

There are two stages in the allocation process. Those in the first stage are granted places based on discretionary factors, such as academic and interview performance. They can apply directly to one or two schools. Results were released in March.

Children who fail to secure a place at the discretionary stage or who do not apply then are placed in a second stage that relies on computer-based allocation and the banding pupils belong to.

This stage itself contains two phases – a first where pupils can pick up to three schools, and a second where those who have not yet been allocated are assigned one of 30 schools in a catchment area known as a “school net”.

Chu Kwok-keung, a primary school principal and lawmaker for the education sector, said the low proportion was partially affected by the number of births in 2012, a Year of the Dragon and

considered auspicious in traditional Chinese culture.

“It is definitely affected by the impact of the Year of the Dragon, as more students were being born that year. Like in North district where my school is situated, around 400 [of the 3,600] students have been assigned to schools that are out of the district.”

He also said the education planning of some parents contributed to the lower satisfaction rate.

“Some parents may be aggressive in selecting their preferred schools when they often hear the news of a decline in the student population, but the number of students actually went up this year,” the principal said.

The bureau said the total proportion of pupils who secured their first choice at both the discretionary stage and via central allocation was 79 per cent.

Those who secured their first pick through the central allocation system reached 71 per cent in 2022 – a record high – when the city experienced a wave of emigration and more spots were available in local public schools.

All pupils taking part in the allocation system should return to their school today to collect allocation and admission slips, then report to their assigned secondary schools on Thursday or Friday for registration. The Education Bureau said it hoped parents and pupils would accept the results with a positive attitude.

> HARRY'S VIEW A2



The Education Bureau said it hoped parents and pupils would accept the allocations with a positive attitude. Photo: Elson Li

COURTS

Former Democratic Party chief pleads for leniency

Brian Wong
brian.wong@scmp.com

A former chairman of the city's largest opposition party has pleaded for leniency in a subversion case, arguing the likelihood he could have convinced fellow party members to endorse his plan to undermine the government was “extremely low”.

Former lawmaker Wu Chi-wai, along with ex-district councillor Sze Tak-loy and activist Tam Tak-chi, asked for shorter sentences yesterday for their roles in an unofficial legislative primary election in 2020. The poll was an integral part of a scheme by 45 opposition figures to compel the chief executive to step down.

Wu's counsel, Breanne Kwok Tszy-fung, told three High Court judges presiding at West Kowloon Court that the former Democratic Party chairman deserved no more than 10 years' imprisonment for being an “active participant” as categorised by the three-tiered sentencing framework of the Beijing-decreed national security law.

Kwok said her client could not have realistically paralysed the government by casting an indiscriminate vote against the administration's annual budget in the Legislative Council given the “obstacles” he would have faced within his party.

She explained Wu's voting preferences were subject to challenges by his party colleagues, and if a majority refused to endorse his decisions, he would have been forced to resign in order to vote as he pleased.

Kwok stressed Wu had never made any promises to block the

financial blueprints, as that would be “an outright lie to the public”.

His counsel also urged the court to consider Wu's moderate stance and the slim chance that those winning the primary would eventually take office without authorities' intervention.

“These objective circumstances show that the likelihood of the scheme succeeding is extremely low,” Kwok said.

Mr Justice Andrew Chan Hing-wai, however, said he was more concerned about the fact that Wu pleaded guilty to the charge, thereby admitting his intent to subvert the state.

Mr Justice Alex Lee Wan-tang added Wu's guilty plea was also an acknowledgement that he had intended to resort to unlawful means to achieve his political goals.

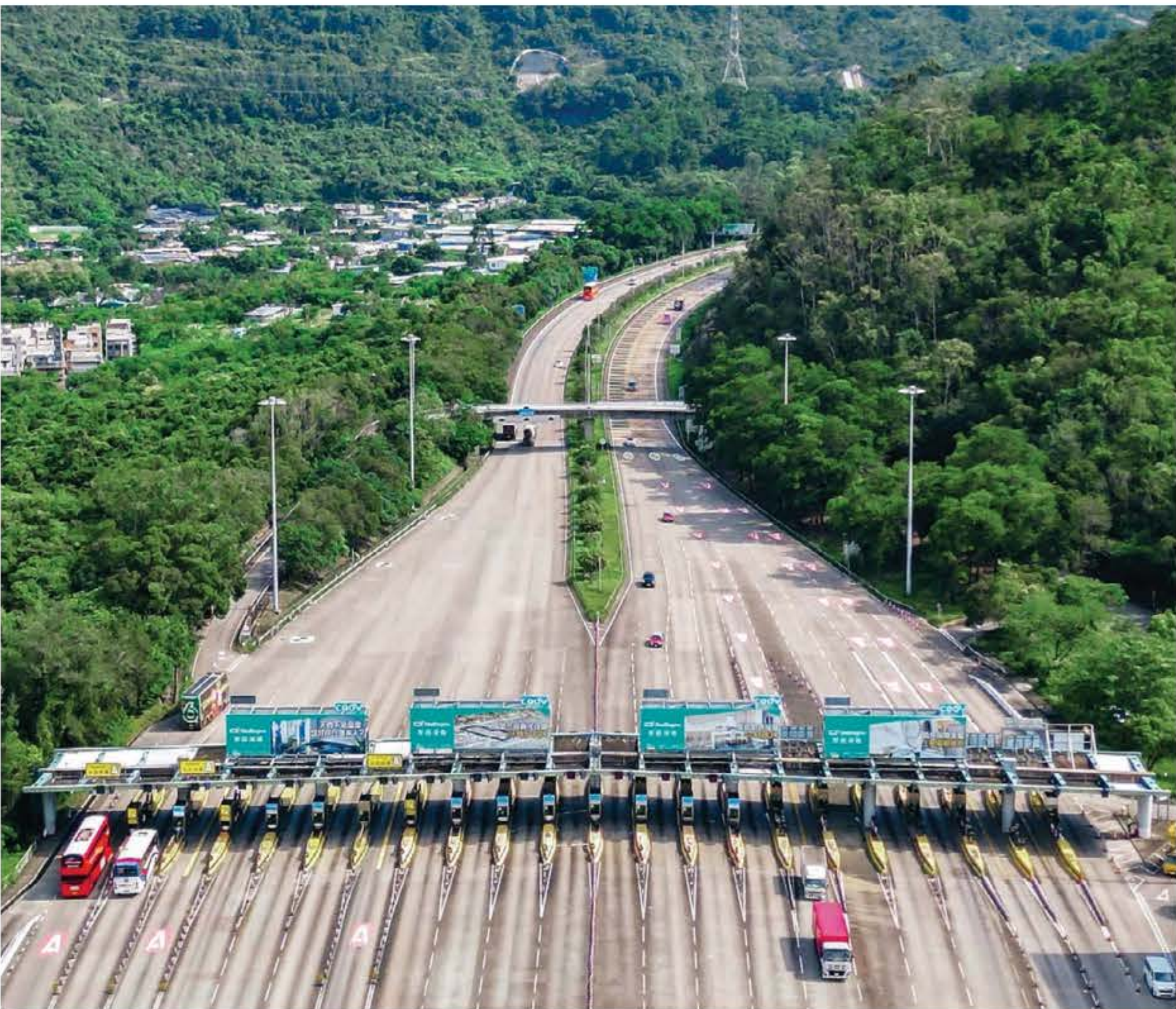
The court heard the city's former transport minister Anthony Cheung Bing-leung, former transport undersecretary Yau Shing-mu and former labour chief Law Chi-kwong had written mitigation letters on Wu's behalf. Cheung and Law were both former Democratic Party members.

Kwok said the trio unanimously praised Wu, a political veteran with more than three decades' experience in public service, for being a moderate and pragmatic person who always prioritised the community's best interests.

Paul Wong Ting-kwong, representing Sze Tak-loy, acknowledged his client was also an “active participant” in the scheme but asked the judges to consider placing him in a lower tier of sentencing.

The mitigation proceedings will resume tomorrow.

TRANSPORT



The toll plaza of the 3.8km Tai Lam Tunnel, which is a part of Route 3 that connects Tsing Long Highway with Ting Kau Bridge. Photo: Elson Li

TAI LAM TUNNEL FEES SET TO FALL AFTER TAKEOVER

Officials are to raise three toll options for lawmakers to consider ahead of the government reclaiming control of the major thoroughfare next May

Wynna Wong
wynna.wong@scmp.com

Motorists can expect lower fees at the Tai Lam Tunnel in the New Territories after the government reclaims control of it next May, with authorities considering three options, all leading to reduced tolls.

Officials are set to raise the three options with lawmakers on Friday, according to a paper released yesterday.

The options are two simple fixed-toll proposals and a third option that would see fares change throughout the day.

The 3.8km Tai Lam Tunnel is a core part of Route 3 which connects Tsing Long Highway and Ting Kau Bridge.

The first scenario retains the existing fixed toll structure at Tai Lam Tunnel, but the fee for private cars, taxis and other commercial vehicles would be significantly reduced to HK\$45, a 22 per cent reduction for private cars and taxis, and a more substantial 30 per cent to 79 per cent decrease for commercial vehicles.

The fee for motorcycles and motor tricycles would also be reduced to HK\$22 from HK\$28.

Authorities said this plan would possibly increase the tunnel's usage rate while maintaining smooth traffic.

“The purpose of this toll scenario is to respond to societal expectations for lower tunnel fees, while still achieving a relatively ideal traffic management outcome,” the report said.

“This can also help alleviate the current traffic congestion on the Tsing Lung Bridge, as well as the Tolo Highway.”

The second scenario would see fares further reduced to HK\$17 for motorcycles and motor tricycles, and HK\$35 across the board for other vehicles.

Authorities said this greater reduction would cause “excessive additional traffic, causing congestion at the Tai Lam Tunnel”.

Traffic volume would exceed capacity by around 5 per cent during peak hours, leading to a queue of vehicles potentially extending about 700 metres at the tunnel entrance, but this would not significantly help ease traffic from the Tsing Lung Bridge and Tolo Highway.

“Therefore, we believe that this level of toll or lower should not be adopted,” the paper said.

The third scenario would adopt “time-of-day” pricing,

which would see tolls vary according to peak, regular and off-peak hours.

Motorcycles and motor tricycles would pay HK\$22 during peak hours, HK\$17 during regular hours and HK\$10 during off-peak hours. For private vehicles, it would be HK\$45, HK\$35 and HK\$20 respectively.

The fee for taxis would remain at HK\$30 throughout the day, and commercial vehicles would also pay a fixed toll of HK\$45.

Authorities said the third option would respond to public expectations to lower the tunnel fees as much as possible while keeping traffic smooth.

“The overall traffic situation under this toll scenario is expected to be similar to the first scenario, but the overall tunnel toll revenue

is expected to decrease,” the paper said.

Lawmaker Gary Zhang Xinyu, who sits on the Legislative Council's transport affairs panel, said he believed the third option was the best choice. But the proposal could be further simplified to comprising just peak and off-peak periods, he said.

“Tai Lam Tunnel has been quite underused to begin with, unlike the harbour crossing tunnels,” the lawmaker said.

The Cross-Harbour Tunnel, Eastern Harbour Tunnel and Western Harbour Tunnel have used a four-tier tolling system based on the time of day and week since December.

“The [Tai Lam Tunnel's] off-peak traffic volume is well below capacity, so you won't need that in-between slot,” Zhang said.

He said most residents would possibly be satisfied with the price.

“Of course, it would ideally be free, but I think most people will find this acceptable,” he said.

But Hong Kong Taxi and Public Light Bus Association chairman Chau Kwok-keung said he preferred the second option.

“The simpler, the better,” he said, despite the third proposal including a fixed fee for taxis.

“I don't want to be arguing with my passenger about what they should be paying, it's best if everything can be straightforward.”

Boss cleared of ill-treating helper who had cancer

Enmity alone does not constitute sufficient grounds for claim of harassment, judge says

Brian Wong
brian.wong@scmp.com

A court has dismissed a HK\$580,000 claim against an employer after finding insufficient evidence she had mistreated and fired her domestic helper over her cancer diagnosis.

The District Court yesterday ruled that housewife Rita Choy Chiu-ye had displayed a “less than welcomed” and occasionally hostile attitude towards the late Joan Sarmiento Guting in the months leading to the termination of the helper's contract in April 2017.

Judge Grace Chow Chiu-man highlighted in her 83-page judgment that Choy had repeatedly described the plaintiff as an “evil spirit” or “god of illness” in various text messages to her family.

The judge also noted a text exchange where the defendant, who is a Christian, praised God and claimed an “angel suddenly descended from heaven” to let her know about “the devil's scheme and some method for treatment” after a hospital worker discussed with her Guting's health conditions.

But Chow stressed that enmity alone did not constitute sufficient grounds for establishing a claim of unlawful discrimination and harassment.

She highlighted difficulties in endorsing Guting's account of events because of her absence from the trial early this year after her death in August 2018.

The court instead found it likely the helper could have been fired because of her unsatisfactory performance at work and the family's complaints about her alleged inappropriate conduct at the household. “Simply being mean, making demeaning and abusive remarks or false accusations, or abusive acts, if not connected to the employee's disability, does not constitute harassment,” the judge wrote.

A separate claim of unlawful termination of employment was also rejected on the grounds that the helper was not sacked during her sick leave.

Guting was diagnosed with cervical cancer, oedema and acute renal failure on March 5, 2017. She lodged a complaint of disability discrimination with the Equal Opportunities Commission in May that year, but the investigation was discontinued five months later. Guting died at the age of 41 after returning to her native Philippines.

A subsequent claim of unlawful dismissal filed at the Labour Tribunal was indefinitely adjourned because of Guting's worsening health.

Her friend, Carla Arangote Temporosa, filed a posthumous discrimination lawsuit against Choy in 2019 and restored the suspended proceedings at the tribunal a year later.

CRIME

Growth in online scams slows but losses surge

Clifford Lo
clifford.lo@scmp.com

The number of online scams in the city rose by less than 1 per cent in the first five months of the year compared with the same period in 2023, but financial losses jumped by 37 per cent to HK\$2.2 billion.

Police handled 13,097 online fraud reports between January and May, an increase of 113 cases compared with the 12,984 logged in the same period last year.

But the amount lost was up from the HK\$1.61 billion in the same period last year.

A police source said the higher losses could be partly attributed to two separate deepfake scams that were still under investigation.

Criminals used artificial intelligence (AI) to alter voices and faces and fooled employees at two multinational firms in the city into transferring HK\$204 million to them.

Police first noticed deepfakes

last year when they arrested nine people in a crackdown on a fraud syndicate that used AI technology to doctor images for loan scams targeting moneylenders. The investigation involved HK\$200,000 in stolen funds.

Secretary for Security Chris Tang Ping-keung earlier revealed that police had discovered 21 online video clips from last November to May where AI technology had been used to impersonate government officials or celebrities to promote questionable investment products.

HK\$2.2b

Financial losses from online scams in the first five months of the year rose by 37% to this much over the same period a year earlier

He said the videos had been removed from online platforms and no reports had been received of anyone being defrauded.

The scams that involved the greatest losses from January to May were sham investment deals, which duped 1,503 people out of HK\$915 million. There were 1,243 victims tricked out of HK\$624 million in the same period last year.

The source said this year's figures highlighted the continued threat from investment scams that preyed on Hongkongers' hopes of making easy money.

He warned the public to be wary of “unrealistic promises of high returns with low risks”.

“Scammers are still sending text messages to the public and inviting them to join VIP chat groups, where they impersonate investment experts or fund managers to deceive victims into purchasing shares or cryptocurrency on bogus trading platforms,” he said.

Meanwhile, the force warned on its website against another tactic known as “pig-butchering scams”, where “scammers establish an online romantic relationship to gain the trust of the victims then lure them into making an investment”.

“Beware of the investment projects recommended by the perfect men or women you meet online,” it said.

Police figures also showed that internet shopping scam losses jumped by 73 per cent to HK\$133 million despite an increase of just seven cases to 4,175 in the first five months of the year. However the amounts lost in employment, romance and email scams dropped.

Although May recorded the highest number of online employment scams in a month, at 348, the overall number of such cases fell by 38 per cent to 1,118. Losses also fell by 31 per cent to HK\$252 million.

The number of email scams

increased by 39 per cent to 99, but losses dropped by 24 per cent to HK\$38 million. Romance scams fell by 28 per cent and losses were 35 per cent lower.

A police spokesman said the force “works closely with local and overseas law enforcement agencies and actively mounts operations based on intelligence gathered online to minimise the threat posed by internet deception”.

He added that police also collaborated with the Hong Kong Monetary Authority, banks and stored value facility providers to boost payment mechanism security and alert users to loopholes.

The spokesman said police also engaged with the Office of the Communications Authority, mobile network operators and online service providers to exchange information on cyber criminals' activities, to take down criminal content or suspend scamming accounts from the internet.

CHINA

EDUCATION

Graduates urged to embrace careers in financial industry

Academic tells Shanghai university students not to be ashamed of taking a job in the sector

Luna Sun
luna.sun@scmp.com

A commencement speech at a top university in Shanghai went viral last weekend after a professor reassured students not to be ashamed of taking a job in the finance sector, sparking debate amid the industry's heightened scrutiny and dwindling reputation.

Li Feng, deputy dean of Shanghai Jiao Tong University's Advanced Institute of Finance, said despite the current emphasis on technological innovation, finance remained crucial to China's economic strength, and graduates should feel "deeply proud" to be working in finance.

"Some people have started to think that the finance industry is worthless because it does not seem to be hardcore technology, viewing it as an unnecessary transaction cost," Li said.

"Even some finance professionals, including our students and alumni, have developed a sense of professional shame."

Li argued that the mindset needed to be corrected, emphasising the indispensable role of financial services in developing the "new productive forces" – a term coined by President Xi Jinping last year to seek new drivers of economic growth via frontier technologies – and that finance was the lifeblood of the economy and a vital part of China's core competitiveness.

"As finance professionals, or those engaged in corporate

investment and financing, we should not feel ashamed, but rather deeply proud," he added.

The comments came at a time when China's financial industry, once thriving with well-paid bankers and brokers, is undergoing significant transformation, while the reputation of industry professionals has also taken a hit.

According to a report by mainland media outlet Yicai, nearly 10 brokers in China were punished for alleged misbehaviour by regulators in April.

However, despite recent lay-offs and pay cuts, salaries in the finance industry remain

Even some finance professionals, including our ... alumni, have developed a sense of professional shame

LI FENG, SHANGHAI ACADEMIC



among the highest on the mainland, with the sector continuing to be one of the most coveted career paths for graduates.

Encouraged by Beijing since the 2010s to follow Western counterparts with generous salaries, institutions like China International Capital Corporation (CICC) saw average annual pay rises from 700,000 yuan (HK\$752,160) in 2018 to 1.15 million yuan in 2020, despite the national per capita income being only 35,128 yuan.

But in recent years, Beijing's financial leaders have pushed for a remoulding of the industry, emphasising national strategies over excessive profits.

In January, Xi stressed the need for financial workers to be honest, trustworthy and avoid quick success.

Xi's comments were part of a broader common prosperity drive to reduce income gaps and tackle corruption, with regulators poised to cap state bank salaries at 3 million yuan, potentially retroactively.

Consequently, many finance professionals, including at Citic Securities and CICC, are experiencing significant pay cuts amid the broader industry shift.

In China's predominantly state-owned financial industry, brokers and funds are cutting salaries and benefits instead of conducting large-scale lay-offs.

According to quarterly reports, CICC reduced staff-related costs by 43.4 per cent in the first three months of the year compared to the same period in 2023.

Other top securities firms, including Citic Securities, CSC Financial and Guotai Junan Securities, have also seen reductions in labour costs.

DEFENCE



Chinese troops are taking part in a joint military exercise in Belarus for the first time. Photo: Belarusian defence ministry

MILITARY IN BELARUS FOR ANTI-TERRORIST EXERCISE

Joint training involving Chinese troops near city in border area close to Poland and Ukraine likely to fuel concerns among EU and Nato nations

Seong Hyeon Choi
vincent.shchoi@scmp.com

China and Belarus have begun a joint military exercise in a border region close to Poland and Ukraine, a move likely to raise concerns in Europe.

The "anti-terrorist training" – known as Eagle Assault – is being held near the city of Brest in western Belarus according to an "annual plan and consensus",

China's defence ministry said. It said the exercise would be held from early to mid-July, with a focus on hostage rescues and joint anti-terrorist operations.

The Belarusian defence ministry said Chinese troops had arrived in Belarus for the drills, which would run until July 19.

It is the first time China has sent military personnel to Belarus for training. Their last known joint exercise was the 2018 Eagle Assault in Shandong province.

Both China and Belarus also took part in the Vostok multilateral joint military exercise hosted by Russia in August 2022. China and Belarus pledged to hold more joint military drills last August, when then defence chief Li Shangfu met Belarusian President Alexander Lukashenko in Minsk.

The latest exercise comes after Belarus on Thursday became the 10th full member of the Shanghai Cooperation Organisation (SCO) – a regional security bloc touted by China and Russia as an alternative to Western-led groups.

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Belarus for many months has 'weaponised' migrant flows to pressure Poland – and by extension, the EU and Nato," he said.

"It adds two extra layers to the Polish perception. First, the Poles have been reducing train transport from China via the Malaszewicz hub [near Brest] in fears of it being used for tariff circumvention, while China has worked hard to increase train-based overland trade from western China to Europe – with this hub being basically the only place where those trains enter through the EU."

"Second, the Polish president has recently been warmly welcomed in China, and since the Poles will see this exercise as directed at them, hence questions are arising in Poland about how genuine the Chinese side was."

Zsuzsa Anna Ferenczy, assistant professor at National Dong Hwa University in Taiwan, said EU-China ties were "on a downward spiral".

"China's continuous support to Russia in the aggression against Ukraine has intensified Europe's will to address security risks related to trade with China, which hurt European interests," Ferenczy said.

Senior Colonel Zhou Bo, a retired PLA officer and senior fellow at Tsinghua University's Centre for International Security and Strategy in Beijing, said the exercise with Belarus had "nothing to do with the situation in Ukraine" and was just the latest Chinese joint military drill.

"China is not going to get involved in the Russia-Ukraine conflict in any way," he said. "We won't even provide military equipment ... so how could we possibly have our troops directly involved? That's impossible."

Additional reporting by Sylvie Zhuang

AUCTION OF TRADITIONAL VEHICLE REGISTRATION MARKS

Date: 13 July 2024 (Saturday) | Place: Meeting Room S421, L4 Old Wing, Hong Kong Convention & Exhibition Centre, Wanchai

Time: 9:25 a.m. | 170 marks will be put up for auction in the following order:

1. AR 1203	30. *MB 67	59. HD 107
2. CJ 317	31. ZF 819	60. *HM 94
3. EB 1101	32. *LG 717	61. GF 960
4. JC 514	33. ZF 813	62. *FA 91
5. PR 743	34. *KC 8008	63. ZF 331
6. DN 8209	35. MA 269	64. *BY 2000
7. BU 8100	36. *HW 1166	65. ZD 915
8. CD 7469	37. EJ 723	66. *MT 37
9. BG 3360	38. *GY 606	67. EA 314
10. WL 8636	39. EG 605	68. *RX 96
11. DR 286	40. *DY 121	69. JH 430
12. MV 369	41. VA 308	70. *MW 2222
13. DE 132	42. *WM 323	71. BT 620
14. BC 8821	43. CX 407	72. *MH 2222
15. CA 8827	44. *NC 1881	73. CL 962
16. *WM 727	45. LG 637	74. *KP 989
17. KN 630	46. *NC 76	75. *XW 9989
18. *JE 727	47. NA 1989	76. *EE 8668
19. SV 839	48. *ED 65	77. XY 8666
20. *MT 1221	49. CB 107	78. *CW 4444
21. TF 523	50. *HE 46	79. TY 224
22. *SW 131	51. MA 406	80. *MG 15
23. VE 453	52. *CK 76	81. XY 8088
24. *CB 1991	53. NF 960	82. *GS 55
25. ZC 702	54. *AR 42	83. XY 8999
26. *RC 9889	55. CC 540	84. *KN 15
27. TA 281	56. *TW 1010	85. XY 1314
28. *AF 1991	57. LJ 915	86. *FF 8668
29. KH 417	58. *SL 44	

Time: 2:25 p.m. | 180 marks will be put up for auction in the following order:

1. HE 8596	31. *NY 25	61. *NG 47
2. FB 1215	32. WW 9954	62. AE 887
3. GS 6386	33. *KL 8118	63. *NK 68
4. JC 9310	34. MA 1966	64. AA 1369
5. KP 1026	35. *VL 84	65. *DW 68
6. HM 1209	36. MM 305	66. FM 887
7. DG 3510	37. *WP 100	67. *NZ 777
8. NY 1129	38. FJ 3186	68. AA 706
9. FB 6955	39. *VR 222	69. *MM 555
10. KH 1802	40. BA 369	70. MS 788
11. *AP 6886	41. *VV 3232	71. HK 2310
12. MG 399	42. GY 198	72. WW 938
13. *AC 787	43. *LL 1919	73. *FS 99
14. SP 1298	44. XD 1993	74. AA 3169
15. *AE 7700	45. *WP 16	75. XX 904
16. BD 369	46. AD 706	76. XY 6698
17. *WK 929	47. *HU 10	77. XX 3369
18. FU 9929	48. BS 369	78. RT 368
19. *PS 929	49. DN 10	79. *GF 88
20. FC 8182	50. FF 3186	80. XY 8818
21. *MK 525	51. *VV 1818	81. *WM 888
22. AB 706	52. YV 876	82. ES 988
23. *PC 67	53. *WP 89	83. *FF 3333
24. SL 3186	54. BS 9986	84. XY 8388
25. *RS 717	55. *WM 89	85. *XX 85
26. BV 2848	56. YV 927	86. XY 8688
27. *RS 1010	57. *HH 484	87. *UU 77
28. KF 1981	58. SS 9133	88. XY 3688
29. *WE 49	59. *WM 47	89. *HK 65
30. FU 1962	60. BM 9986	90. ZA 368

* Not Transferable. Note: Successful bidders are required to complete the registration of purchaser procedures, and pay the auction price through Easy Pay System (EPS) or by crossed cheque immediately. For the conditions of sale and points to be noted by bidders, please visit the Transport Department's website www.td.gov.hk.

TAIWAN

Official steps down after bribery probe

Lawrence Chung
lawrence.chung@scmp.com

A senior Taiwanese official involved in mainland affairs has resigned as head of the Straits Exchange Foundation (SEF) following a bribery investigation.

Cheng Wen-tsan, a former vice-premier of Taiwan who became chairman of the foundation under the Mainland Affairs Council on June 7, announced his resignation on Sunday, saying he did not want to disrupt the body's operations.

Cheng, 57, known for his moderate stance on cross-strait relations and advocacy for normal exchanges, was summoned by prosecutors on Friday for questioning about alleged bribery during his tenure as mayor of Taoyuan between 2014 and 2022.

The Taoyuan district prosecutors' office said it sought court approval to detain Cheng after 16 hours of questioning over suspected acceptance of a bribe seven years ago.

However, the Taoyuan District Court rejected the detention request and released Cheng on NT\$5 million (HK\$1.2 million) bail. The decision was later overrudden by the High Court, which

requested a review of his detention case yesterday.

The prosecutors' office did not provide details of the case but local news media reported that the bribery allegation was linked to a land rezoning project near a science-based industrial estate in Taoyuan.

Cheng maintained his innocence in a statement on Saturday: "I have not committed any illegal acts, and I will cooperate with the judicial investigation. I hope to clarify the truth and prove my innocence as soon as possible".

Cheng announced his resignation through the SEF the following day, citing the need to "avoid disrupting the team's normal operations" and expressing his commitment to "clearing his name through the judicial process".

Taiwan's presidential office, cabinet and the ruling Democratic Progressive Party (DPP) expressed "respect for the judiciary" and hoped for a "swift clarification of the matter".

Cheng is the first senior official from William Lai Ching-te's government to step down, resigning just a month after taking office.

The investigation has embarrassed the DPP, which pledged to combat corruption when Lai became the head of the party in 2023 and won the island's top post in the January election.

On Saturday, Lai said that regardless of party affiliation or individual, anyone involved in illegal activities "should be investigated and prosecuted by law enforcement agencies without bias".

"The fight against fraud, organised crime and corruption remains a critical task for the current government," he said.

Cheng, who is seen as a close confidant of previous leader Tsai Ing-wen, assumed the position of vice-premier in January 2023 under Tsai.

After the change of leadership in May, Cheng was left out of any cabinet post and was instead named by Lai to head the SEF, a post he assumed just a month ago.



Cheng Wen-tsan has denied committing any illegal acts.

U.S.-CHINA RELATIONS

MOVES TO MEND
TIES NEAR LIMIT,
SCHOLAR WARNS

Both sides need to make intentions clear to prevent fundamental distrust or another crisis cannot be ruled out, Beijing peace forum hears

Orange Wang
orange.wang@scmp.com

Moves to stabilise China-US-ties may have reached their "limit" since a summit eight months ago, a leading Chinese political scholar has warned.

Da Wei, director of the Centre for International Security and Strategy at Tsinghua University, said both countries needed to make their intentions and goals more clear and convincing to each other.

This was crucial to preventing "fundamental distrust", Da told an international security forum in Beijing on Sunday.

He also warned of "negative development" in bilateral ties, particularly on Taiwan, and technological and economic issues, noting that recent remarks from senior officials on either side had been marked by impatience, frustration, anxiety and disappointment.

"This tendency is not good," the US-China relations specialist told a panel at the World Peace Forum, which was jointly hosted by Tsinghua and the Chinese People's Institute of Foreign Affairs, a government-run policy group.

"Another crisis or some kind of confrontation" could not be ruled out if the present trajectory continued, he cautioned.

The summit between President Xi Jinping and his US counterpart Joe Biden in California last November was followed by several positive signs for the bilateral relationship after months of extreme tensions.

The two countries have resumed high-level dialogue, including military-to-military talks, launched several working groups, held negotiations on trade, finance, and climate and counternarcotics action, and also restarted cooperation on deporting illegal Chinese immigrants from the US.

But tensions continue to build on a number of fronts, most notably over US trade tariffs and moves to hobble China's hi-tech access, its relationship with Russia and what the US and its allies see as Beijing's growing regional assertiveness.

Uncertainty surrounding the US presidential election in November has further added to worries about the relationship.

In a phone call with US deputy secretary of state Kurt Campbell

on June 27, executive vice-foreign minister Ma Zhaoxu urged Washington to respect Beijing's concerns.

Washington should take concrete actions on its commitment to not support Taiwanese independence, stop interfering in China's internal affairs relating to Tibet, halt support for Philippine "provocations" in the South China Sea and refrain from "smearing" what was "normal" Sino-Russian trade, Ma said.

Campbell said US commitment to the Philippines under their 1951 mutual defence treaty was "ironclad", while reiterating concerns over Beijing's alleged support for Moscow's defence industrial base, an issue US Secretary of State Antony Blinken raised again earlier this month when he said China was helping to sustain Russia's war in Ukraine.



Joe Biden and Xi Jinping at their meeting in California last year.

We need to understand the basic motives and the purpose of the other side

DA WEI, POLITICAL SCHOLAR

Wu Xinbo, dean of the Institute of International Studies at Fudan University and on the same panel as Da, said the China-US relationship still "lacked reciprocity" and was "uneven".

"China has tried to accommodate US concerns, on artificial intelligence dialogue, military-to-military relations, fentanyl, and so on. But on the US side, the Biden administration has been very reluctant to address China's concerns," he said.

"The Taiwan issue or sanctions or tariffs, [on] all these kinds of things, there has not been much progress."

Others on the panel were Susan Thornton, former US acting

assistant secretary of state for East Asian and Pacific Affairs; and Douglas Paal, former director of the American Institute in Taiwan, Washington's de facto representative office.

Da said the process of stabilising bilateral relations was "slowing down", adding: "We have probably picked the low-hanging fruits already."

China and the US had taken a bottoms-up approach to creating trust over the past eight months, which had been "effective", Da noted.

"But there is a limit," he said. "I think we are reaching that limit. Because if you have fundamental distrust [of] the other side, I think these negative sentiments will prevent us from having very meaningful cooperation or even coexistence."

Both sides were still very suspicious of the other's sincerity on stabilising relations and continued to view each other through a "very negative" lens, he added.

"We need to understand the basic motives and the purpose of the other side," he said.

"Following that, we need to clean up our house to remove the policies that are inconsistent with [our main goals]."

Da also called on Washington to take some actions to convince Beijing that its goal was not containment of China.

For instance, he said, the White House should publicly state that new Taiwanese leader William Lai Ching-te's words and actions did not align with Washington's "one-China" policy.

Beijing sees Taiwan as part of China to be reunited by force if necessary.

The US, like most countries, does not recognise Taiwan as an independent state, but is opposed to any attempt to take the self-governed island by force and committed to supplying it with weapons.

Da also called on the US and China to work together on Ukraine and the Middle East, as "we have some shared interest there, rather than veto each other at the United Nations. That's meaningless".

He also dismissed concerns that the wait for the US election results meant ties had entered what in American sporting parlance is called "garbage time" – when the proceedings become perfunctory.

"We need to be on the same page, understanding each other's goal clearly and from the bottom of the heart, then we maybe can ... have real stability in the next four years."

Ex-envoy cautions the young against 'blind worship' of US

Kamun Lai
kamun.lai@scmp.com

China's young people should avoid "wishful thinking" about the United States, according to Cui Tiankai, the country's former ambassador to the US.

The veteran diplomat made the remarks at a commencement ceremony at ShanghaiTech University, telling the graduates they should avoid oversimplifying the rise and fall of a great power or the geopolitical complexities between the two countries.

Cui, China's longest serving ambassador to the US, warned against both an unrealistic adoration of the US or the view that America was declining and would never recover.

"Blindly worshipping the US is not a scientific or objective understanding. On the other hand, believing that the US will inevitably decline and fall into ruin is also a one-sided and absolutist view, inconsistent with reality and objectiveness," said Cui, who served as Beijing's envoy to Washington from 2013 to 2021.

Despite recent efforts to stabilise relations, ties between Beijing and Washington have been hit by tensions over the South China Sea and Taiwan and increasing US export restrictions on hi-tech goods such as advanced semiconductors.

He said "the US does have a lot of problems – very big problems" but pointed to its military and financial strengths, as well as its



We believe that the current trend of the international landscape is on our side

CUI TIANKAI, FORMER ENVOY TO U.S.

leadership in scientific and cultural areas.

Cui said the development and evolution of the US was the result of combinations of various forces and factors such as the economy, politics, culture, population and

natural conditions that often worked in a spiral process, not a straight line.

"Our understanding of it should be comprehensive, dimensional, evolving and dialectical, rather than oversimplified, absolute, or even wishful thinking," he said.

Cui's remarks echoed those of some observers who have called for an objective assessment of China's geopolitical challenges and strengths. The formula that "the East is rising and the West is declining" has gained traction among government officials and state-controlled media.

However, Cui warned that "mistaking [the weaknesses of] others can often mislead oneself. This is something we need to be vigilant about".

He called on the graduates to make "arduous efforts" to rejuvenate the nation and form proper and independent perspectives, instead of simply echoing other opinions and gossip.

"Modernisation does not equate to Westernisation or Americanisation. Their path cannot guide us to our goals," Cui said.

"We believe that the current trend of the international landscape is on our side, and morality and justice are also on our side. But this does not mean that we can succeed easily. China's development has always been about surpassing ourselves, not about crushing others. But we must constantly overcome the obstacles erected by others," Cui said.



Cooling off in costume

Children dressed in traditional outfits find shade under an umbrella and cool themselves with portable electric fans outside the Forbidden City on a sweltering day in Beijing yesterday.

Another exceptionally hot summer, accompanied by drought, flooding and typhoons, is endangering China's crop harvests and lifting power demand as climate change creates more extreme weather. Temperatures were above normal in June and will exceed average levels by even more this month, the National Climate Centre said last week. Photo: AP

ECONOMY

Lack of confidence hindering growth, economist says

Luna Sun
luna.sun@scmp.com

A lack of confidence and low expectations for China's economic growth remain major hindrances holding back consumers and investors, economists and veteran policy observers warned ahead of next week's agenda-setting third plenum.

Pessimism from economists and observers inside China about the outlook of the world's second-largest economy could send a chilling message to overseas observers, according to Helen Qiao, chief Greater China economist at Bank of America Merrill Lynch.

"In China, no matter how much we tell investors that China has no problems, that China will surely ramp up the implementation of future policies, the overall feedback we got from investors was pessimistic, and they treat good news as if it won't happen, and bad news as if it will get worse," Qiao told a Tsinghua

University forum about China's midyear economic update.

Qiao, who is also the bank's head of Asia economics research, added that the atmosphere among investors in India was completely different, with economic growth and momentum being hyped up.

Compared to the stumble of China's A shares after the benchmark Shanghai composite index fell by 0.25 per cent in the first half of the year, India's major benchmark – the BSE Sensex which tracks the performance of the 30 biggest and most traded stocks on the Bombay Stock Exchange – hit a record high after rising by 9.4 per cent during the same period.

The market capitalisation of the Indian stock market has surpassed Hong Kong to become the fourth largest in the world.

"Sometimes [the market atmosphere] is driven by emotions, especially now when investors are easily swayed by the market," Qiao added.

"What we should be doing is setting rules, and ensuring policy stability, the rule of law, and

promoting a more law-based governance approach in the medium to long term."

The Tsinghua University forum was held at a key juncture for China, as it is grappling to get its economic expansion back on track in the second half of the year.

The third plenum of the new Central Committee, which is expected to chart China's growth path for the next decade, is set to take place next week.

Consumption is seen as being among the weakest links in China's economic recovery as a result of a lack of confidence. In the first five months of 2024, retail sales grew by 4.1 per cent compared to the last year, lower than the 4.3 per cent average annual growth in the first two years of the coronavirus in 2020 and 2021.

"The demand for consumption is extremely suppressed," said Wu Shuyi, a researcher at the Academic Centre for Chinese Economic Practice and Thinking, a think tank at Tsinghua University, told the forum.

The sluggish recovery in spending is seen to be primarily

due to a slowdown in residents' income growth.

In the first five months of the year, new household loans increased by 889.1 billion yuan (HK\$955.3 billion), but bank deposits by households rose by 7.13 trillion yuan during the same period, central bank data showed.

"That indicates a weak willingness to leverage and people are more inclined to increase precautionary savings rather than spend," Wu said.

And according to a report by the Academic Centre for Chinese Economic Practice and Thinking on China's economic outlook for the second half of the year, from a policy aspect, local governments should be allowed to retain more fiscal revenues derived from value-added tax and consumption tax.

"This will encourage local governments to focus on human-centred development, increase residents' income, improve basic public services, eliminate concerns about consumption, and boost consumer spending," the report said.

Sponsored Feature

CityUHK, University of Cambridge launch scholarship and the Future Global Leaders Programme



The CityUHK delegation, led by Professor Kevin Downing (2nd from left), engages in a fruitful discussion with Professor Dame Madeleine Atkins of Cambridge's Lucy Cavendish College (2nd from right), regarding the Future Global Leaders Programme.

Building on the academic partnerships established with the University of Cambridge in May this year, City University of Hong Kong (CityUHK) made significant progress in advancing its collaboration with the University of Cambridge's Lucy Cavendish College on 3 July, launching the Future Global Leaders Programme, a joint initiative targeting Master's students at both institutions.

The two parties discussed further details of the Future Global Leaders Programme which will be launched in the 2025/26 academic year, with applications for admission and scholarships opening by the end of this year. CityUHK is proud to be the first international partner of Lucy Cavendish College for this programme.

The programme aims to cultivate sustainability leaders equipped with the environmental, social and governance skills and mindset needed to drive positive change globally. Participating students will engage in online training sessions and an exchange programme at the partner institution, gaining inter-cultural perspectives and connecting with industry experts.

Students will benefit from a unique learning experience in both the UK and Hong Kong, enhancing their employment prospects in a globally competitive market and expanding their international networks.

CityUHK will also establish a scholarship programme – the "CityUHK-Lucy Cavendish College Scholarship" – at

Lucy Cavendish College to enable elite students from CityUHK who have been accepted for a Master's degree programme across all disciplines to study at the College. Additionally, the scholarships will enable the College to support several top students from other universities who come from diverse, under-represented backgrounds with accompanying financial needs, thus enabling them to study at the University.

On the same day, CityUHK and the University of Cambridge signed another Memorandum of Understanding (MoU) to further foster our global academic and research collaboration.

This MoU will continue to enhance our research and educational excellence through dynamic alliances with elite universities worldwide, in keeping with our reputation as the Most International University in the world by Times Higher Education in 2024.

The MoU was signed by Professor Ren Yang, Head of the Department of Physics at CityUHK, and Professor Jason Robinson, Joint Head of the

Department of Materials Science & Metallurgy at the University of Cambridge. The signing was witnessed by Professor Kevin Downing, Secretary to the Council at CityUHK, and Professor Dame Madeleine Atkins, President of Lucy Cavendish College, University of Cambridge.

The MoU will facilitate collaborative education, research development and commercialisation opportunities between the Department of Physics at CityUHK and the Department of Materials Science & Metallurgy at the University of Cambridge.

CityUHK is honoured to welcome three distinguished faculty members from the University of Cambridge as Distinguished Visiting Professors: Professor Colm Durkan, Professor of Nanoengineering Science in the Department of Engineering; Professor Hans van de Ven, Professor of Modern Chinese History in the Faculty of Asian and Middle Eastern Studies; and Professor Clare Bryant, Professor of Innate Immunity. They will collaborate with CityUHK faculty and students to promote interdisciplinary scientific and academic research.

The CityUHK delegation was privileged to visit the prestigious Fitzwilliam Museum of Cambridge University. The Fitzwilliam houses a world-renowned collection of over half a million beautiful works of art, masterpiece paintings and historical artefacts. CityUHK and the Fitzwilliam Museum have started exploratory talks around future collaboration.



The CityUHK delegation was warmly received by Dr Neal Spencer, Deputy Director (1st from right), Collections and Research, at the Fitzwilliam Museum.

ASIA

INDONESIA

Death of journalist throws spotlight on corruption and pay

Reporter and family members die in house fire after story on gambling ring linked to military

Johannes Nugroho

The gruesome deaths of Indonesian TV journalist Rico Sempurna Pasaribu and three of his family members have raised concerns about the rule of law and low wages of reporters as initial investigations point to foul play linked to corruption.

Days before his death, Rico, 40, who worked for Medan-based online media TV Tribrata, reported on a local gambling ring that was allegedly backed by a member of the military.

The journalist's wooden house in Karo, North Sumatra, was later engulfed in a fire on June 27. Four people died, including Rico, his 48-year-old wife, 12-year-old son and three-year-old grandson.

The case sparked a backlash from online users, who lambasted law enforcement agencies and pointed to past cases of journalists who had reported on sensitive issues and later died in mysterious circumstances.

Many [Indonesian] journalists are underpaid and rely on unsavoury side hustles to make ends meet

CRISTISON SONDANG PANE, JOURNALIST ASSOCIATION CHAIRMAN

Major journalist groups in Indonesia claimed Rico and his family were targeted by corrupt officials. Police have said they were still investigating the case and condemned any violence against reporters.

The national coordinator for the Committee on Safety for Journalists (KKJ), Erick Tanjung, said his organisation's initial investigation had indicated possible foul play in Rico's case.

"We urge the police, the armed forces and other law enforcement agencies to work hard and sincerely to get to the bottom of the case and give Rico's family the closure and justice they desperately need."

KKJ sent an investigation team to Medan a day after Rico's death. The Alliance of Independent Journalists (AJI) Medan chairman, Cristison Sondang Pane, who is on the KKJ team, said they had

discovered Rico had "committed some serious breaches of journalistic ethics".

"Our preliminary finding established Rico had been receiving weekly stipends from the gambling ring to ensure he didn't publish any story about them, at least initially."

According to the AJI, Rico had asked for payments to also be extended to a local youth group, complicating matters with the ring's leader. This later led to Rico exposing the alleged member of the military.

Cristison said he regretted Rico's alleged unprofessional conduct but added the practice was "only too common" among journalists in Indonesia.

"While it doesn't excuse their unethical conduct, many [Indonesian] journalists are underpaid and rely on unsavoury side hustles to make ends meet."

He said most reporters made between 800,000 rupiah (HK\$384) and 1 million rupiah a month, a third of the provincial minimum wage in North Sumatra. Research carried out by the AJI in 2023 involving 423 journalists found half of them were paid below the minimum wage. More than 10 per cent were also required to "earn commissions" from advertisements they sold to businesses.

While major national news networks "toed the line" on minimum wage rules, smaller local media companies were often non-compliant, Cristison said.

Additionally, he said, AJI was aware of a prevalent practice by government public relations departments at different agencies of "handing out envelopes" to journalists in a bid to "motivate them to write reports on government schemes".

"This carrot-and-stick gimmick to generate positive publicity for the government is detrimental to our efforts to encourage professionalism among journalists."

The KKJ's Erick said even if Rico had breached ethics, violence was not an excusable response. "Our press law clearly states unethical conduct by journalists should be reported to the Press Board to be adjudicated on."

Hadi Wahyudi, a public relations officer of the North Sumatra police, said the agency was "totally committed" to solving the case.

Reporters Without Borders ranked Indonesia 111 out of 180 in its 2024 index of press freedom, down from 108 in 2023. The AJI recorded 986 instances of violence against Indonesian journalists between 2006 and 2023.



Line drawn on cannabis

Pro-cannabis activists hold cannabis plants outside Government House in Bangkok yesterday during a protest against the Thai government's proposal to reinstate marijuana on the country's list of narcotics.

Thousands of weed dispensaries and other related businesses have opened across the country since Thailand became the first country in Asia to decriminalise cannabis in 2022. But earlier this year, Prime Minister Srettha Thavisin ordered officials to take steps to restrict the use of marijuana to medical purposes.

Cannabis advocacy groups and businesses have voiced their opposition to the policy U-turn. Photo: Agence France-Presse

PHILIPPINES

CHINA ACCUSED OF USING TALKS TO HIDE 'POLICY OF AGGRESSION'

Negotiations aim to legitimise control over disputed waters, not seek resolution, Manila source says

Raissa Robles

The bilateral talks between Beijing and Manila on the South China Sea conflict are being used by China as part of a strategy to legitimise its control over disputed maritime territory in the Philippines' waters, rather than resolving the issue, according to analysts and sources knowledgeable about the negotiations.

Following the ninth meeting of the China-Philippines Bilateral Consultation Mechanism (BCM) on the South China Sea, held in Manila a week ago, the Philippines Department of Foreign Affairs (DFA) released a statement saying both sides had "affirmed their commitment to de-escalate tensions".

However, the statement also noted that "significant differences remain" in the positions of the two countries and the Philippines would "be relentless in protecting interests and upholding its sovereignty, sovereign rights and jurisdiction in the West Philippine Sea (WPS)," referring to that part of the South China Sea which Manila marks as its maritime territory.

Beijing's foreign ministry released a statement after the BCM, saying both sides "had a candid and constructive exchange of views on the situation" but noted that China "reiterated its sovereignty" over the Spratly Islands, including the Second Thomas Shoal.

A 2016 arbitral ruling by the United Nations International Tribunal on the Law of the Sea

(ITLOS) negated China's nine-dash line – the basis of its ownership claims over much of the South China Sea. However, Beijing has rejected the ruling as illegitimate since it did not take part in the arbitration and continues to assert sovereignty over territory within the Philippines' exclusive economic zone (EEZ).

A senior government source familiar with the negotiations, who asked for anonymity as the source was not authorised to speak on the matter, said China was "trying to impose a habit and a status quo on Filipinos that it is right for them to be there [inside the Philippines' EEZ], that we have to ask their permission and coordinate with them [on the Second Thomas Shoal]".

The source went on to say that while the Philippines' diplomatic objective "is to resolve the dispute", China's goal was to make Manila accept the status quo in which they controlled and occupied parts of their territory.

In 1999, Manila grounded the BRP Sierra Madre, a World War II-era warship, on the Second Thomas Shoal to serve as a military outpost that would strengthen its position in the disputed region. In recent months, it has become a focal point for conflicts between the two countries.

A routine resupply mission to the outpost turned violent on June 17 when Chinese vessels launched an attack on Filipino forces. In the chaos, a Filipino special forces soldier lost his thumb after his boat was deliberately rammed by a Chinese coastguard vessel.

Beijing alleges that the resupply missions are meant to reinforce the BRP Sierra Madre's position on the shoal, in violation of a secret agreement it claims to have made with Manila earlier this year. It also argues that it is a violation of Asean's 2002 Declaration on the Conduct of Parties in the South China Sea (DOC) that the status quo should be maintained.

However, Manila has denied entering into any secret agreement and pointed out that the beaching of the warship in 1999 predated Manila's signing of the DOC in 2002.

"They come, use force, occupy, the tension goes up, then they apply diplomacy, bilaterally specifically to deflect international tension, and then tension goes down. But at the end of the day, they are there and the new status quo is generated," the senior government source said.

The source argued this was in line with China's "policy of aggression", which began when it seized features in the Paracel Islands from Vietnamese control in the mid-1970s – through a conflict in which "more than 50 died and the world did not complain" – and continued with Beijing's ongoing attempts to seize control of the Second Thomas Shoal, the Scarborough Shoal, and the Sabina Shoal, all of which were well within Manila's EEZ.

A second government source familiar with negotiations with China, who also asked for anonymity, pointed to Mischief Reef as an example of Beijing normal-

ising its seizure of territory within Philippine waters.

In 1994, China started building a structure on the reef, telling the late president Fidel Ramos it was a shelter for fishermen during storms, but by 1995, the shelter had turned into a reinforced bunker, despite Manila's protests. Today, it is a sprawling military island complete with a runway, a radome, anti-aircraft weapons and a missile defence system.

Lucio Blanco Pitlo, president of the Philippine Association of Chinese Studies and Research fellow at Asia Pacific Pathways to Progress, said that while it was true Beijing had used negotiations to consolidate control over Mischief Reef, China's "near con-

[The Chinese] come, use force, occupy, the tension goes up, then they apply diplomacy

PHILIPPINE GOVERNMENT SOURCE



A Chinese coastguard water cannon hits a Philippine ship.

trol" of the Scarborough Shoal was a result of the Philippines filing its arbitration case with ITLOS.

Pitlo noted that Beijing's attempts at seizing the shoal took place after the Philippines filed its case in 2013 but before the decision was announced in 2016.

"China pounced on the Philippine arbitration to justify controlling though not yet physically occupying and reclaiming [Scarborough]. Portraying the Philippine move as lawfare, China capitalised on it to form new land in the sea," he said.

"In the South China Sea saga, once a feature was occupied, the only way to dislodge it was through force or deception. Hence, claimants invest in building infrastructure in and fortifying their outposts, and denying rivals a pretext to upset the status quo or make new facts on the ground. They would naturally reflect their occupation or administration of a contested feature as a given in any negotiation," Pitlo said.

Chester Cabalza, the founder and president of the International Development and Security Cooperation think tank in Manila, said "China agreed to the BCM since it knew Manila is getting stronger, backed up by the world's lone superpower [the United States], its allies and strategic partners".

Cabalza said both countries should have come up with a joint statement binding Beijing to agree to certain terms under which Manila could "sue China for its breaches". He also noted that Beijing's post-BCM statement in effect asserted "that China owns the entirety of the WPS, which is false and disinformation".

JAPAN

Hunters refuse meagre pay to cull killer bears

Julian Ryall in Tokyo

Hunters in northern Japan are refusing to take on the surging bear population, warning that "fighting a brown bear is like fighting a US military commando".

With a record 219 bear attacks, including six fatalities, over the past year, rural communities are desperate for help – but hunters say the dangerous job simply is not worth the meagre pay.

Government data shows over 3,000 bear encounters reported in April and May, about 500 more than usual. Since April 1, the animals have attacked 37 people across 16 prefectures, killing two.

In Naie, population 4,800, bears menace the outskirts of the mountain town as ageing hunters struggle to keep up. The town's task force made a plea to the local Hokkaido Hunters' Association, asking its 43 registered members to conduct a cull. But the offer on the table was woefully inadequate – just 10,300 yen (HK\$500) for an eight-hour workday.

"It is not worth the effort because confronting a bear will put our lives on the line," Tatsuhito Yamagishi, the association's 72-year-old head, told the Asahi newspaper, adding Naie underestimated the immense

challenges facing the hunters in its efforts to keep people safe.

"Forests are their turf and they can see us hunters even when we cannot see them. I know many hunters who were mauled in the face in a flash."

He concluded with a vivid analogy: "Fighting a brown bear is like fighting a US military commando in a forest."

Haruo Ikegami, the regional head of the hunters' organisation, backed Yamagishi's position.

"This is not a job that just anyone can do," he told the Post.

"A hunter needs to profile the bear before even setting out and then hunt the bear. These are not easy skills to learn."

Ikegami also suggested 35,000 yen would be a more appropriate figure for a full day of hunting.

"Hunting bears is dangerous because they can smell and hear you a long time before you can see them. Right now, there are a lot more bears than hunters."

Other hunters in the region have also rejected inadequate pay offers, with one group in Shimamaki village claiming 10 million yen for two months of work in 2018. Officials initially refused to foot the bill, the Asahi reported, but eventually agreed to 26,900 yen per day after prolonged negotiations.

Associated Press

Japan and the Philippines signed a key defence pact yesterday allowing the deployment of Japanese forces for joint military exercises to the Southeast Asian nation that came under brutal Japanese occupation in World War II, but is now building an alliance with Tokyo as they face an increasingly assertive China.

The Reciprocal Access Agreement, which similarly allows Filipino forces to enter Japan for joint combat training, was signed by Philippine Defence Secretary Gilberto Teodoro and Japanese Foreign Minister Yoko Kamikawa in a Manila ceremony witnessed by President Ferdinand Marcos Jr.

Kamikawa called the signing of the agreement "a groundbreaking achievement" that should further boost defence cooperation. "A free and open international order based on the rule of law is the foundation of regional peace and prosperity," she said.



President Ferdinand Marcos Jr (centre) witnesses Yoko Kamikawa and Gilberto Teodoro seal the defence deal yesterday. Photo: AP

Manila and Tokyo sign key defence agreement

"We would like to work closely with your country to maintain and strengthen this."

The defence pact with the Philippines is the first to be forged by Japan in Asia. Japan signed similar accords with Australia in 2022 and with Britain last year.

Under Prime Minister Fumio Kishida, the Japanese government

has taken steps to boost its security and defensive firepower, including a counterstrike capability that breaks from Japan's post-war principle of focusing only on self-defence, amid threats from North Korea and China's growing assertiveness.

It is doubling defence spending in a five-year period to 2027 in

a move to bolster its military power and make Japan the world's third-biggest military spender after the United States and China.

Many of Japan's Asian neighbours came under Japanese occupation until its defeat in World War II and Japan's efforts to bolster its military role and spending may be a sensitive issue. Japan and the Philippines, however, have deepened defence ties.

Kishida's moves dovetail with Marcos' effort to forge security alliances to bolster the Philippine military's limited ability to defend Manila's territorial interests in the South China Sea.

The US has also been strengthening an arc of military alliances in the region to better counter China and reassure its Asian allies. Japan and the Philippines are treaty allies of the US and their leaders held three-way talks in April at the White House, where President Joe Biden renewed Washington's "ironclad" commitment to defend Japan and the Philippines.

Japan has had a long-standing territorial dispute with China over islands in the East China Sea. Chinese and Philippine coastguard and navy ships, meanwhile, have been involved in a series of tense confrontations in the South China Sea since last year.

In the worst confrontation so far, Chinese coastguard personnel armed with knives, spears and an axe aboard motorboats repeatedly rammed two Philippine navy supply vessels on June 17 in a chaotic face-off in the disputed Second Thomas Shoal that left several Filipino sailors injured.

China accused the Philippines of instigating the violence, saying the Filipino sailors strayed into what it called Chinese territorial waters despite warnings.

Japan and the US were among the first to express alarm over the Chinese actions and call on Beijing to abide by international laws. Washington renewed its warning that it is obliged to defend the Philippines if Filipino forces, ships and aircraft come under armed attack.

Is this the biggest crisis of the Fifth Republic?
Emmanuel Macron wanted clarification with
the dissolution, now we are in total uncertainty

Gael Sliman, President of the ODOXA Polling Group, on the fallout of France's general
election that has delivered a hung parliament

FRANCE



Jean-Luc Melenchon of the hard-left France Unbowed has ruled out a deal with centrists. Photo: EPA

LEFT-WING SURGE
LEAVES NATION IN
‘VERY THICK FOG’

Macron asks his PM to stay on pending difficult negotiations to form a new government after voters deny far-right to deliver hung parliament

Reuters in Paris

French President Emmanuel Macron yesterday asked his prime minister to stay in the role for now, pending what will be difficult negotiations to form a new government after a surprise left-wing surge in elections that delivered a hung parliament.

The leftist New Popular Front (NFP) emerged as the dominant force in the National Assembly after Sunday's election, thwarting Marine Le Pen's quest to bring the far-right to power.

However, with no single group securing a working majority, the outcome heralded a period of volatility just before the Paris Olympics and raised uncertainty among investors about who would run the euro zone's second-largest economy.

The range of possibilities include the NFP forming a minority government or the cobbling together of a coalition of parties with almost no common ground.

Prime Minister Gabriel Attal, a centrist and close ally of Macron, tendered his resignation, but the head of state rejected it.

"The President has asked Gabriel Attal to remain prime minister for the time being in order to ensure the country's stability," Macron's office said.

"Is this the biggest crisis of the Fifth Republic?" asked Gael Sliman, president of the Odoxa polling group, referring to the period after 1958. "Emmanuel Macron wanted clarification with the dissolution, now we are in total uncertainty. A very thick fog."



The outcome is a setback for far-right leader Marine Le Pen.

A fragmented parliament will make it hard for anyone to push through a domestic agenda, and is likely to weaken France's role in the European Union and further afield.

"The most immediate risk is a financial crisis and France's economic decline," said Finance Minister Bruno Le Maire.

The left won 182 seats, Macron's centrist alliance 168, and Le Pen's National Rally (RN) and allies 143, Interior Ministry data cited by Le Monde newspaper showed.

Interior Minister Gerald Darmanin was seen entering the Elysee presidential palace shortly after Attal, suggesting Macron was canvassing opinions from his allies about what to do next.

Leaders of the component parties of the NFP met overnight and were due to meet again later yesterday to discuss who should replace Attal and what strategy the alliance should adopt, said a

source at the Communist Party, one of its smaller members.

The NFP, hastily assembled in an attempt to unify the left-wing vote against the far-right, has no single leader and did not say before the election who would be its pick for prime minister.

Green leader Marine Tondelier, one of a number of NFP figures seen as potential candidates for the post, said it could be someone from the hard-left France Unbowed party, the Greens or the Socialists, the three largest parties in the alliance.

Olivier Faure, the Socialist leader, sidestepped a question on whether the NFP would be prepared to negotiate a deal with Macron's camp.

France Unbowed's firebrand leader, Jean-Luc Melenchon, ruled out any deal with centrists on Sunday, and yesterday his ally Eric Bompard sounded uncompromising.

"The president must appoint as prime minister someone from the New Popular Front to implement the NFP's programme, the whole programme and nothing but the programme," he said.

But there is little chance any of the left-wing bloc's key proposals, which include raising the minimum wage, reversing Macron's pension reform and capping the prices of key goods, would pass a parliamentary vote without some kind of agreement with lawmakers from outside the bloc.

For Le Pen's RN, the result was a huge disappointment after opinion polls consistently projected it would win comfortably.

The left and centrist alliances cooperated after the first round of voting by pulling scores of candidates from three-way races to avoid splitting the anti-RN vote.

Additional reporting by Agence France-Presse

UNITED STATES

Boeing to plead guilty to criminal fraud

Court deal, which will brand the firm a felon, relates to two 737 Max crashes

Reuters

Boeing has agreed to plead guilty to a criminal fraud conspiracy charge to resolve a US Justice Department investigation linked to two 737 Max fatal crashes, the US government has said in a court filing.

The plea, which requires a federal judge's approval, would brand the planemaker a convicted felon. Boeing would also pay a criminal fine of US\$243.6 million, the Justice Department (DOJ) said in a document filed in a federal court in Texas that provided an overview of the agreement.

The charge relates to two 737 Max crashes in Indonesia and Ethiopia over a five-month period in 2018 and 2019 that killed 346 people and prompted the families of the victims to demand that Boeing face prosecution.

A guilty plea potentially threatens the company's ability to secure lucrative government contracts with the likes of the US Defence Department and Nasa, although it could seek waivers.

Boeing became exposed to criminal prosecution after the Justice Department in May found the company violated a 2021 settlement involving the fatal crashes.

Still, the plea spares Boeing a contentious trial that could have exposed many of the company's decisions leading up to the fatal Max plane crashes to even greater public scrutiny.

It would also make it easier for the company, which will have a new CEO later this year, to try to move forward as it seeks approval for its planned acquisition of Spirit AeroSystems.

A Boeing spokesman confirmed it had "reached an

agreement in principle on terms of a resolution with the Justice Department".

The planemaker also agreed to invest at least US\$455 million over the next three years to strengthen its safety and compliance programmes, according to the filing.

The DOJ will appoint a third-party monitor to oversee the firm's compliance. The monitor will have to publicly file with the court annual reports on the company's progress.

Boeing will also serve a probation, during which it commits not to violate any laws, until the end of the monitor's three-year term.

The DOJ on June 30 offered a plea agreement to Boeing and gave the company until the end of the week to take the deal or face a trial on a charge of conspiring to defraud the Federal Aviation Administration (FAA) in connection with a key software feature tied to the fatal crashes.

The Justice Department's push to charge Boeing has deepened an ongoing crisis engulfing Boeing since a separate January in-flight blowout exposed continuing safety and quality issues at the planemaker.

A panel blew off a new Boeing 737 Max 9 jet during a January 5 Alaska Airlines flight, just two days before the 2021 deferred prosecution agreement that had shielded the company from prosecution over the previous fatal crashes expired. Boeing faces a separate ongoing criminal probe into the Alaska incident.

The agreement only covers Boeing's conduct before the fatal crashes and does not shield the planemaker from any other potential investigations or charges related to the January incident or other conduct.



Boeing CEO Dave Calhoun attends a Senate hearing on the company.

The families intend to argue that the plea deal ... unfairly makes concessions to Boeing

LAWYERS FOR VICTIMS' FAMILIES

Boeing is set to plead guilty to making knowingly false representations to the Federal Aviation Administration about having expanded a key software feature used on the Max to operate at low speeds. The new software saved Boeing money by requiring less intensive training for pilots.

The Manoeuvring Characteristics Augmentation System is a software feature designed to automatically push the aeroplane's nose down in certain conditions.

It was tied to the two crashes that led to the FAA grounding the plane for 20 months, an action

that cost Boeing US\$20 billion and was lifted by the government in November 2020.

As part of the deal, Boeing's board of directors would meet with relatives of those killed in the Max crashes, the filing said.

DOJ officials modified their process for selecting an independent monitor in response to backlash from one of the lawyers representing victims' relatives, who argued the families should select the candidate instead of the government choosing from a pool of candidates Boeing would propose, according to the court filing.

US officials adjusted their plea offer to Boeing to stipulate they would select the pool of qualified candidates based on a public solicitation to which anyone can apply, including candidates the families support.

Lawyers for some of the families of the people killed in the two Max crashes said they intended to exercise their right to oppose the deal.

"The families intend to argue that the plea deal with Boeing unfairly makes concessions to Boeing that other criminal defendants would never receive and fails to hold Boeing accountable for the deaths of 346 persons," they said in a separate court filing.

The agreement would not shield any executives, the DOJ filing said, though charges against individuals were seen as unlikely due to the statute of limitations. A former Boeing chief technical pilot was charged in connection with the Boeing fraud agreement but acquitted by a jury in 2022.

The agreed penalty will be Boeing's second fine of US\$243.6 million related to the fatal crashes – bringing the full fine to the maximum allowed. The company paid the fine previously as part of 2021's US\$2.5 billion settlement.

ISRAEL-GAZA WAR

Hezbollah targets Israeli intelligence base

Agence France-Presse

Lebanon's Hezbollah movement said it launched its "largest" air operation, sending explosive drones at a mountaintop Israeli military intelligence base in the annexed Golan Heights.

It is the latest incident among escalating cross-border exchanges of fire that have triggered global alarm.

Hezbollah, an Iran-backed Hamas ally, has traded almost daily fire with Israeli forces since the Palestinian militant group's October 7 attack on Israel triggered war in the Gaza Strip.

Announcing "the largest operation" carried out by its aerial forces, Hezbollah said in a statement its fighters sent "multiple, successive squadrons of drones to target the reconnaissance centre" on Mount Hermon.

The Israeli military said an explosive drone "fell in an open area in the Mount Hermon area" but there were "no injuries".

Attacks as well as rhetoric have escalated in recent weeks, spurring fears of an all-out conflict



between Israel and Hezbollah which last went to war in 2006.

The Lebanese movement said the drone attack was part of its "response" to the killing of an operative in a strike on Saturday deep into east Lebanon around 100km from the border.

The Mount Hermon attack targeted intelligence systems, "destroying them and starting a major fire", Hezbollah said.

Israeli Defence Minister Yoav Gallant visited troops on Mount Hermon earlier on Sunday, his office said.

In two additional statements, the military said its air defences "successfully intercepted" several "aerial targets" that crossed from Lebanon after sirens sounded in the Golan Heights area.

Israel seized the Golan Heights from Syria in 1967 and later annexed it in a move largely unrecognised by the international community.

The Israeli strike on Saturday killed "a key operative in Hezbollah's Aerial Defence Unit", the military has said.

Throughout Sunday, Hezbollah announced four more attacks on Israeli military sites across the border with barrages of rockets as well as some guided missiles. Israeli authorities reported four wounded.

Gallant, in a video from Mount Hermon, said that "even if there is a ceasefire" in Gaza, "we will continue fighting and doing everything necessary to bring about the desired result" in the campaign against Hezbollah.

The cross-border violence has killed at least 497 people in Lebanon, mostly fighters but also including 95 civilians. On the Israeli side, at least 16 soldiers and 11 civilians have been killed.

Tens of thousands of residents have been displaced from the border areas in both southern Lebanon and northern Israel.

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OPINION

EDITORIAL

Rent rise for public housing reasonable if system is to be viable

A regular rent review mechanism has given the Hong Kong Housing Authority a steady source of revenue to run its costly but essential programmes for the needy. An accompanying ceiling of a 10 per cent rise under the law also ensures the prevailing economic situation and public affordability are taken into account. The system has been serving the city well.

That does not mean there are no disputes, though, especially in times of a weak economy. The move to raise rents up to the statutory cap has raised questions whether the Housing Authority has been too aggressive. The rents are currently adjusted every two years according to tenants' income, with the previous one in 2022 kept at only 1.17 per cent, or a range from HK\$5 to HK\$66 more per month. Coming at the height of the Covid-19 pandemic, the increases were also waived for 12 months.

With the economy picking up and the government's budget deficits running deep, the steeper rent adjustment is to be expected. Indeed, officials warned of the increases earlier this year, citing a looming multibillion-dollar shortfall in rental operation in four years' time if no adjustments were made. Yesterday, a government paper showed household incomes had increased by 10.73 per cent since the last review, meaning the statutory cap would kick in. This is the fifth time the actual increase has been kept lower than the changes in income. Except for "well-off tenants", who are paying additional rent, there will also be a three-month waiver.

Currently, the average monthly rent is about HK\$2,200, with 40 per cent of tenants not paying more than HK\$2,000 per month. The 10 per cent rise translates into actual increases of between HK\$49 and HK\$572, which are still affordable to many households.

Thanks to the government's largesse, and frequent rent waivers and freezes in the past, some tenants may take issue with the increases. But the levels also look unreasonably low to many taxpayers who are footing the ballooning public spending bill.

The Housing Authority has an important role in providing affordable accommodation for low-income earners. This is especially true when the incumbent administration had pledged massive housing programmes in the coming decade. With the sale of subsidised housing units not as popular as it used to be, a reliable source of revenue is needed to support the construction and management of public housing facilities.

As the city's biggest landlord and property developer, the authority has to maintain healthy finances to fulfil its mission, while striking a balance with economic circumstances and public affordability. The adjustment is in line with that.

Shake-up strengthens superconnector role

A slew of new policies from the central and Hong Kong governments aims not only to revive the national economy, but also to allow the city to play a key part in the endeavour. Not merely ad hoc responses, together they show an overall coherence and competence that has been the hallmark of policymaking in Beijing. The latest is a new legislative proposal for a streamlined regulatory regime to make it simple and easy for overseas companies to redomicile in the city.

It comes right after Beijing announced that expatriates – many of them business executives – with permanent residency in Hong Kong and Macau could now apply for a five-year travel permit, enabling them freely to enter the mainland.

Foreign companies, especially those in insurance and financial services, have a strong incentive to domicile in the city for easy access to the Greater Bay Area and beyond. They are expected to bring professional services, and new investment and job opportunities.

The draft law for redomicile will allow more time – up to 12 months instead of the current three months – for firms to submit financial statements before application dates and to retain their company names. A disincentive to redomicile has been the need to maintain their legal identities for business continuity and to go through complicated and costly judicial procedures. With that in mind, the government proposal aims to remove those barriers.

Together, the redomicile and new travel permit policies will reinforce Hong Kong's role as a "superconnector", making it easier and more convenient to set up a regional office whose staff require frequent cross-border travel. Such government policy aligns well with the needs of the business community.

Financial Secretary Paul Chan Mo-po said on social media the drafting of the relevant redomicile legislation was being done "at full speed". Certainly, there is a need to reverse a trend of some foreign firms relocating to other Asian cities after the 2019 turmoil and the economic downturn following the Covid-19 pandemic.

After a slow start, the government of John Lee Ka-chiu is pressing all the right buttons. No other city can offer such a level of easy connectivity to the economic powerhouse up north.

CONTACT US

Tammy Tam Editor-in-Chief

Chow Chung-yan Executive Editor Zuraidah Ibrahim Executive Managing Editor

Yonden Lhatoo Managing Editor, Content Eugene Tang Managing Editor, Business & Projects

Editorial office 19/F, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

Editorial feedback, general inquiries 2565 2222, news@scmp.com

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Asia's bright spot

Nicholas Spiro says while many investors would love to gain exposure to the data centre sector, few are willing or able to deal with its associated risks

Asia's commercial property investment market is going through a rough patch. The persistence of high interest rates and the pandemic-induced deterioration in sentiment towards the office sector continue to weigh on transaction activity.

Even so, there are bright spots. One of them is the burgeoning data centre market. In the first quarter of this year, transaction volumes in the sector reached US\$1.7 billion, 81 per cent higher than in the previous quarter and 80 per cent of investment activity for the whole of 2023, according to data from Savills.

This is not surprising given the powerful tailwinds enjoyed by the warehouse-like facilities that power all kinds of online products and services. Explosive growth during the past decade has led to rapid development of colocation and hyperscale data centres with ever-increasing power requirements.

The emergence of generative artificial intelligence (AI), especially the launch of ChatGPT at the end of 2022, has turbocharged demand and reshaped the data centre landscape as the technology drives development of new AI-specialised facilities.

Asia is fertile ground for the development of data centres. With its unique blend of large mature and emerging markets and fast-growing digital economies, the region accounts for three of the world's 10 largest data centre markets in terms of operational capacity, with Beijing and Shanghai in the top five, according to data from Cushman & Wakefield.

Asian cities figure even more prominently in the global data centre development pipeline, which includes facilities currently under construction as well as those in the planning stage. Mumbai, Tokyo, Sydney and Kuala Lumpur are among several cities experiencing rapid growth. Malaysia is now Asia's fastest-growing data centre market.

Tellingly, while investment transaction volumes across the region tapered off in 2022-23 mainly because of the rise in the cost of debt, construction activity last year experienced its third straight year of double-digit growth, according to MSCI. This stands in contrast to most other real estate sectors, which experienced a slowdown in development activity.

"Investing in Asian data centres is a tremendous opportunity provided it's done right. The sector is the darling of investors but is fraught with challenges," said Paul Dwyer, head of data centres at Logos, a pan-Asian logistics developer.

This is an understatement. The capital-intensive sector is a gold mine in a minefield. First, data centres are not traditional real estate assets. They are a mix of property, energy and technology that requires significant technical expertise and involves thorny regulatory, environmental and political issues.

Not many global property investors and developers are equipped to deploy capital in the sector. Even those who face high barriers to entry, given that the real estate cannot be easily separated from the operational aspects of running data centres. Only investors with considerable experience in infrastructure and whose mandates allow them to partner with operating companies have the expertise and risk tolerance required to establish a presence in the sector.

Second, data centres are among the biggest consumers of electricity, heaping pressure on countries' power grids and resulting in a scramble for suitable land and access to cheaper and reliable sources of electricity. Singapore, which imports nearly all its energy needs, imposed a temporary moratorium on new data centre construction in 2019. While this benefited neighbouring Malaysia, increased development activity in secondary markets is driving up costs.

Although Tokyo is the world's most expensive city to build a data centre, Kuala Lumpur and Jakarta experienced some of the sharpest price increases last year, an index compiled by Turner & Townsend shows. Acute skills shortages and an increase in the price of

raw materials have exacerbated the mismatch between rampant demand and supply constraints.

Third, while scalability in the data centre market is critical, sustainability is just as important. Unlike investing in an office or a shopping centre, a data centre operator needs to provide sufficient power and cooling infrastructure to accommodate ever more demanding technological requirements. The twin pressures of having to constantly improve power usage efficiency and source sustainable power pose a huge challenge.

"The availability of power, to say nothing about the availability of clean power, is the big issue for data centre investors and operators," said Glen Duncan, data centre research director for Asia Pacific at JLL. The pressure to balance operational demands with environmental responsibilities has intensified since AI started taking the world by storm.

Having only recently wrapped their heads around the implications of cloud computing, operators and developers now have to contend with the disruptive forces of AI. While the technology will supercharge demand for data centres, it will have a profound impact on the design and location of the facilities given the higher power requirements of AI chips.

Moreover, there are concerns that the big tech companies, which account for the bulk of hyperscale data centre capacity and operate their own facilities, could pose a competitive threat to the traditional and specialist data centre operators as AI takes hold.

However, given the sheer scale of demand for all kinds of data services and the difficulties in securing land and power in strategic locations, infrastructure-focused operators and developers are in a strong position. "Imagine Amazon trying to build a data centre in every country," said Thomas Liu, head of Greater China and Asia data centres at Actis.

At a time when Asia's commercial property investment market is struggling to recover, data centres are generating huge interest. But while many investors would love to gain exposure to the sector, few are able or willing to navigate the minefield.

Nicholas Spiro is a partner at Lauressa Advisory

VIEWPOINT



Artist Ma Wing-shing and ex-Olympic cyclist Wong Kam-po at AniCom Sports Park. Photo: May Tse

US court's immunity ruling will unleash more chaos

Robert Delaney says expect a re-elected Trump to be even more emboldened following recent decision that the US president is above the law in certain cases

One line that Democrats and Republicans often fling at each other over the various legal cases and litigation threats against US President Joe Biden, former president Donald Trump and some of their children and associates must now change.

"No one is above the law" has been a standard rhetorical device since the establishment of the republic that broke away from Britain nearly 250 years ago, a commonplace principle that neither side could argue with.

Seen through the lens of geopolitical competition, it was a crisp line that helped to maintain the legitimacy of the American system, even when politics here was at its most chaotic. It is one of the fundamental reasons the country attracts many of the world's best and brightest and a factor behind the US dollar's strength.

Now, according to the US Supreme Court, we need to add a few more words: no one but the president of the United States is above the law. That qualification changes everything.

Whether or not the court's conservatives intended to clear the way for the exoneration of Trump for everything he did to overturn the 2020 election, that is exactly how their ruling on the question of Trump's immunity will play out.

Chief Justice John Roberts wrote that the president of the United States may not be prosecuted for duties he carries out under his constitutional authority but may be prosecuted for all other actions.

One can choose to believe – as many Republicans appear to have done – that the justices have clarified a legal issue and protected the executive branch's ability to govern. But even those of us lacking legal backgrounds can see that the ruling created a field of ambiguity on which politicians with little restraint can run to their goal with little to no interference.

Trump's lawyers now only need to argue that when he ordered the removal of metal detectors for those attending his rally on the White House Ellipse on January 6, 2021, because, according to a White House aide, Trump said "they're not here to hurt me", and then sent armed supporters to Capitol Hill, the then president believed the election was stolen.

Republicans will claim last week's ruling proves that indictments against those who tried to overturn the election were tainted by politics. The message could resonate with enough voters, particularly those brainwashed through social media with bogus claims about a stolen election, to tip the coming election in Trump's favour.

If Project 2025 – a blueprint to sweep away the rules and conventions that prevent the politicisation of federal agencies – is implemented, he will then be many times more emboldened than he was in his first term. Don't believe Trump's claim that he's never even heard of the plan. It was written by a Trump-friendly think tank, The Heritage Foundation, with a second Trump administration in mind.

From his chairman of the Joint Chiefs of Staff Mark Milley to his national security advisers John Bolton and H.R. McMaster, we've heard plenty about efforts to block Trump from doing his worst. He will not tolerate any obstructions in a second term. Without fear of criminal conviction, Trump's campaign of vengeance will start on his first day in office, the one on which he will, as he has told us, be a dictator.

Even if Trump manages to lose in November, the damage the Supreme Court has caused in altering a fundamental American principle will reverberate far and wide given the transformation that the Republican Party has undergone in the past decade.

One former European Union diplomat based in Asia remarked to me that in 50 years, the US had gone from forcing out a president, Richard Nixon, who had said "when the president does it, that means it is not illegal", to the Supreme Court actually making it law.

With Biden appearing to be in a weakened state, Democrats must pull together and move quickly on what should have been done at least two years ago, when the Supreme Court took away the federal right to an abortion. They must figure out who among them connects best with voters unhappy with the court's recent decisions and unwilling to support a candidate who trades in lies and climate change denialism.

Biden is a good man who has worked hard to restore American alliances. He championed legislation that is bringing critical industries back to the country. He should consider taking a bow and devoting the next few months to boosting whomever his party decides should be his successor.

Robert Delaney is the Post's North America bureau chief

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OPINION



Hurdles in talent race

Chee Yik-wai says one-sided comparisons with Singapore expose Hong Kong's insecurities

Financial secretary Paul Chan Mo-po recently said the city had “competitive advantages” over Singapore in the global talent race. While he made some good points – for example, about the diversity of Hong Kong’s natural landscape – it’s very debatable whether the city fares better in terms of “freedom”.

Concern about the latter, together with high housing prices, was probably one reason many left the city. If housing in Hong Kong were cheaper than in Singapore, that would be a real competitive advantage. But that is not the case at the moment. Chan also cited Hong Kong’s strong education system as an advantage when many see Singapore’s as performing better.

These one-sided comparisons with Singapore expose Hong Kong’s insecurities and make the city look more like a hard sell when it should focus on learning from Singapore’s success in attracting global talent and diversifying its economy.

For a start, the requirements of the city’s Top Talent Pass Scheme do not seem as holistic as Singapore’s Overseas Networks and Expertise (ONE) Pass. Anyone earning the HK\$2.5 million a year needed to qualify for Hong Kong’s scheme could realistically enjoy a much more comfortable life in most top Asian and European cities than in Hong Kong – the world’s most expensive city for expatriates – unless perhaps their income is significantly higher.

Hong Kong’s scheme also allows graduates, but only from the world’s top 100 universities. Singapore’s One Pass does not require a university degree and offers a case-by-case approach for applicants who do not meet the income requirement of

SS\$30,000 a month, roughly HK\$2 million a year. As a young university dropout, Bill Gates would not have qualified for Hong Kong’s talent scheme today – by the time he could, he would have had many other options.

Hong Kong’s yardstick of income and academic achievement helps gauge capability and success but is hardly effective in helping find the most motivated and skilful global talent.

In terms of settling down, a Singapore passport is more powerful and easier to obtain than a Hong Kong passport. China’s complicated nationality law can make getting a Hong Kong passport challenging even for people born in the city, such as those from ethnic minority communities.

Having just celebrated the 27th anniversary of its return to Chinese rule, Hong Kong could perhaps consider addressing the hurdles that make it hard for residents who are not of Chinese descent to become fully fledged Chinese nationals. While the government has announced a five-year permit for non-Chinese permanent residents of Hong Kong to travel to and from the mainland, the benefits are not the same as those enjoyed by people holding a home return permit.

There is no doubt the city is king when it comes to attracting mainland talent. But if it is serious about attracting Southeast Asians to diversify its talent pool, as labour secretary Chris Sun Yuk-han says, it should build a deeper relationship with the Association of Southeast Asian Nations by supporting exchange programmes between young Hongkongers and their peers in the region. Relying on press campaigns to explain its visa schemes is not enough.

Singapore has invested considerably in youth leadership programmes with other Asean member countries. As an alumnus of the Singapore-funded Asean Youth Fellowship and the Temasek Foundation-Lee Kuan Yew School of Public Policy’s Southeast Asia Next-Gen Leaders Programme, I have experienced first-hand how such initiatives can advance collaboration and understanding between the region’s leaders of tomorrow, which can translate into business opportunities.

As a young university dropout, Bill Gates would not have qualified for Hong Kong’s talent scheme today

Additionally, Singapore’s ISEAS-Yusof Ishak Institute works with prominent Malaysian intellectuals through its Malaysia Studies programme, which encourages a thorough understanding of Malaysia and helps Singapore attract talent from its neighbour.

Hong Kong may need to take a similar approach with Asean members, through greater academic collaboration with Southeast Asian think tanks. Strengthening City University of Hong Kong’s Southeast Asia Research Centre would be helpful. Insights from organisations like the Hong Kong- and Kuala Lumpur-based Global Institute for Tomorrow (GIFT) could also

help Hong Kong deepen its understanding of the Asean region.

Given that Taiwan has started running youth exchange programmes that include Southeast Asians, under its New South-bound Policy, the city has no time to waste. Looking at global impact, it would be even more effective if Hong Kong could secure a World Economic Forum centre in the city or host WEF events, for example.

Hong Kong needs to think outside the box if it wishes to be the ultimate start-up capital for its region, much like London and Singapore are. The tech companies that have departed Hong Kong for Singapore will not return any time soon if the city keeps focusing on complementing Shenzhen’s innovative start-up scene without propping up its own.

To that end, Hong Kong could consider introducing a visa for “digital nomads”, which Thailand has done and Taiwan is thinking of doing, to attract talent that can revitalise the local economy, foster innovation and create business opportunities.

Hong Kong’s advantage as a super-connector between the mainland and the world will become less relevant as China introduces more direct and higher-level opening-up measures. This is already happening – CEO Elon Musk did not need to go through Hong Kong to set up Tesla’s Gigafactory on the mainland; he dealt directly with the Shanghai government. Many more such examples may follow.

Alarm bells should be sounding for Hong Kong. The city must have a strong and coherent strategy to achieve a more diverse workforce and market opportunities that can ensure its continued prosperity.

Chee Yik-wai is a Malaysia-based intercultural specialist and the co-founder of social enterprise Crowdsukan

LETTERS

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Construction sector in city needs shift to a culture of care

Recent incidents in Hong Kong’s construction industry have highlighted critical areas for improvement. While these incidents have raised concerns about current safety standards, they have also sparked a push for positive change.

Investigations have revealed issues such as poor-quality materials, inadequate safety protocols and insufficient worker training. There is a growing call for regulatory enforcement and a cultural shift towards prioritising safety and ethical practices. Industry leaders are championing comprehensive reforms. The government is also being urged to implement more robust measures to prevent future incidents.

The cause of the current situation may be a deeply entrenched, distorted mentality that has fostered a culture of hierarchy, greed and deprivation. By prioritising profit over safety, substandard practices and oversight put people in danger. A critical opportunity to reform the industry must start with a fundamental shift in values.

Emphasising safety, ethics and responsibility can pave the way for a safer industry and help prevent further tragedies. As the industry grapples with unfair contract practices and poor communication between contractors and workers, now may be the moment to foster a caring culture. Firms should prioritise employee well-being and safety, setting new standards that can solve widespread problems, and ensure a safer and more respectful environment for all.

One solution would be to replace punitive measures with reward schemes for positive behaviour. Emphasising positive reinforcement over penalties motivates workers to maintain high standards and follow safety protocols. This approach promotes open communication and teamwork, leading to safer and more efficient construction sites. By acknowledging good practices among frontline staff, the industry can cultivate a culture of continuous improvement, as well as boost morale and productivity, ensuring the sector’s long-term sustainability and success.

The implementation of a caring culture must be a top-down initiative, emphasising respect for artisans at every level. By showing mutual respect and honouring the contributions of every worker, we can rebuild trust. This is a call to action for all stakeholders to embrace a new ethos that places people and ethical practices at the forefront of the construction sector.

By shifting the focus from cost-cutting to quality and respect for skilled workers, the industry can foster a culture that values craftsmanship. To prevent further loss of life and property, it is imperative for industry leaders and the government to collaborate closely. A united effort is essential to reform, in ensuring ensure a safer, ethical working environment.

Choy Hon-ping, chairman and managing director, Hip Seng Group

Support economy by buying local brands and products

The deals and concessions offered by restaurants, retailers, museums and such, initiated by the government, for July 1 could not have come sooner. But these are just baby steps. To brighten the grim economic picture, Hong Kong needs more.

As Hongkongers, we shouldn’t wait for deals to fall in our laps. We can do all our part for our city. Yes, it’s undeniable that Shenzhen is attractive. Given that Shenzhen has better service, more competitive prices and more spacious environments, it’s understandable that some Hongkongers choose to spend their money and weekends there instead. But we were born and grew up in this city. We owe it allegiance. When our city is stuck in a rut, who can save it but ourselves?

So I suggest we look for local brands and products when we shop at supermarkets on weekdays, Central, Wan Chai, Causeway Bay and so on are quite shoppable, with many retailers offering discounts to survive.

Against the tide of mass closures, many eateries are opening, like in the Southern district. If you like to try new places, they definitely deserve your support.

While we are headed for integration into the Greater Bay Area, it remains my humble wish that the Hong Kong flag will still fly high.

Jacqueline Kwan, Sai Ying Pun

English language skills required to land mainland corporate jobs

I refer to the letter, “Maybe we’re just not that into English” (June 28). Some in Hong Kong may think knowledge of Chinese is good enough for them to work on the mainland.

Speaking from the experience of being Beijing-based for 13 years, China is an international marketplace, where people are eager to learn English well to climb the corporate ladder. A job applicant from Hong Kong might not survive in this competitive market, for there are many young mainlanders who can speak English with impeccable accents and write concise essays. My horizons were broadened at occasional breakfasts and lunches with employees of multinational firms. There was a middle-aged mainland engineer who spoke fluent English and German; another mainland and his assistant both spoke English and French. And of course, Mandarin is their mother tongue.

English is a minimum requirement in this competitive market. I hope my story can inspire young people in Hong Kong to learn English well.

Edmond Pang, Fanling

If AI is the future, everyone should have a seat at the table

Gerui Wang says the technology’s development must not succumb to deglobalisation pressure

Last week, the 2024 World Artificial Intelligence Conference was held in Shanghai. The conference creates an international platform for tech companies to showcase the latest generative artificial intelligence (AI) technologies.

From American tech giants Tesla and Qualcomm to hundreds of Chinese AI companies, global innovators gathered in Shanghai to explore opportunities in AI. Researchers from multiple countries shared cutting-edge discoveries regarding possibilities and risks. Meanwhile, policymakers exchanged ideas on fostering safe and just ecosystems for AI development. This year’s theme highlighted global AI governance.

As the world faces deglobalisation risks and trade disputes, the conference foregrounds the necessity of global cooperation over AI safety. Attendees discussed risks in AI such as bias, infringement of intellectual property rights and private data, military use and environmental damages, stressing that these issues should be addressed by the international community.

Countries and regions that build frameworks to govern AI, as a new form of capital, with responsibility, equity and inclusion will set international standards. China views the growth of AI technologies as a chance to spread prosperity and shape value systems in the coming decades.

This year, the 78th session of the United Nations General Assembly adopted the resolution on international cooperation on AI capacity building proposed by China and co-sponsored by more than 140 countries. At the World Artificial Intelligence Conference, Premier Li Qiang stressed the

need for broader global participation to promote AI’s safe deployment.

“Governing AI for Good and for All” was a key focus of the conference. Instead of discussing how AI will replace human jobs, some attendees emphasised how AI is merely changing the nature of production. Conversations also touched on leveraging AI to upscale agriculture, transport, e-commerce and public health.

Experts have called for language and culture inclusion in AI development. Most existing AI models are trained in English language data, causing the system to either produce stereotypes of other ethnic groups, or be incapable of accurate output.

While the US restricts China’s access to its AI chips and other technologies to maintain its dominance, China believes in digital inclusion and that AI technology should be shared by people from all geographical locations and cultural backgrounds. Special sessions at the conference featured prominent women in business, research and government. China wants more women to study computer sciences and help build the infrastructure needed for AI development.

China believes in digital inclusion and that AI technology should be shared by people from all geographical locations

One of the most competitive AI technologies is large language models (LLMs). In the past year, LLMs have been mainly applied by consumers and companies to perform office tasks. According to data released by the United Nations, China holds the most AI patents in the world. Many now want AI technology to be integrated into manufacturing, urban planning, finance, biomedicine and scientific research to enhance productivity and bolster innovation across industries.

Multiple humanoid robots were displayed at the conference. The world’s first open-source, full-size humanoid robot, Qinglong, made its debut. Qinglong can cook, clean and perform other household chores, serving as smart assistant for homes. Developers anywhere in the world can build on the open-source model to improve the robot’s agility and responses to natural language orders.

China is a global leader in humanoid and industrial robots. The market for China’s humanoid robots is expected to reach 38 billion yuan (HK\$41 billion) by 2030. The Ministry of Industry and Information Technology provided special guidelines to advance the industry and establish ethical standards. A humanoid robot and innovation centre was set up in Shanghai, fostering an ecosystem that connects capital with talent.

The conference also highlighted AI’s potential in helping achieve sustainability goals. Training AI systems demands computing power that heavily contributes to greenhouse gas emissions, making it essential to reduce the energy cost of

computing. SenseTime, a leading AI company in China, has been focusing on improving the efficiency of its computing centres and designing software to optimise its use of urban transport systems.

China sees potential in developing the markets in Latin America, Africa, Middle East and Southeast Asia for its electric vehicles, robots and digital economy platforms. These collaborations can promote efforts in reaching sustainability goals.

The World Artificial Intelligence Conference highlights China’s vision for an international framework to support AI innovation and governance. To ensure AI flourishes for the public good, China is building an ecosystem to train AI talent. Top Chinese universities are setting up AI labs to upskill the next generation and systematically integrate AI across disciplines.

The conference featured AI competitions and awards to attract global talent, while venture capitalists were given opportunities to fund AI start-ups. Strengthening this ecosystem, institutions in China and beyond should emphasise a service mindset and a holistic thinking about the technology.

China’s efforts in fostering a global AI governance ecosystem reflect its commitment to responsible, inclusive and human-centred AI development. Through technological collaboration, educational initiatives and a strategic focus on sustainable governance, the international community can shape an AI future that benefits all. Instead of AI protectionism, countries should embrace cooperation for AI’s safe development and governance.

Gerui Wang is a lecturer at Stanford University

A show of intelligence



Visitors to China's largest artificial intelligence (AI) conference enjoyed a glimpse of the future last week with more than 1,500 AI-related products being exhibited at the Shanghai event. Chinese tech companies, from industry giants to ambitious start-ups, plus foreign firms such as Tesla and Qualcomm showcased their latest AI wares at the three-day 2024 World Artificial Intelligence Conference. This seventh edition of the expo featured products from large language models to humanoid robots from more than 500 exhibitors. Premier Li Qiang gave the opening speech at the event where the theme was "Governing AI for Good and for All". AP and China Foto Press photographers were there to see the latest tech.





GLOOM IN STORE

Lukewarm retail sales set to weigh on Hong Kong’s shopping mall and high street landlords > **PROPERTY B2**



CULTURAL CONFIDENCE

Visiting a David Hockney show in Shanghai with gay British actor Russell Tovey > **ARTS & CULTURE B9**

WEALTH

CITY DRAWS HK\$10b VIA RESIDENCY SCHEME

Investment migration programme receives 346 applications from investors in a major boost for HK’s ambitions to become hub for family offices

Enoch Yiu
enoch.yiu@scmp.com

Hong Kong has attracted more than HK\$10 billion under the four-month-old cash-for-residency scheme, in a major boost for the city’s ambitions to become a family office hub with a deep wealth management market, officials said.

The revamped Capital Investment Entrant Scheme (CIES), more commonly known as the investment migration scheme, had received 346 applications as of last Friday, according to Alpha Lau Hai-suen, director general of InvestHK, the government agency set up to promote the city as an international financial centre.

She told lawmakers yesterday 214 applications had been cleared, while 117 had won in-principle approval with the grant of temporary visas, which allowed the applicants to stay in the city for up to 180 days to make the required investments.

“The CIES targets bringing ultra-high-net-worth individuals to Hong Kong

ALPHA LAU, INVESTHK

Lau said four applicants had already received residency visas after making investments of HK\$30 million each. If all 346 were to get approvals, they would bring at least HK\$10.38 billion of investments to the city.

“So far, no applications have been rejected,” Lau said.

The cash-for-residency scheme, launched on March 1, allows wealthy individuals and their families to get fast-track residency when they make investments of at least HK\$30 million in Hong Kong stocks, bonds, deposits, funds, investment-linked insurance policies and non-residential properties.

“The CIES targets bringing ultra-high-net-worth individuals to Hong Kong, which refers to those with a net worth of at least US\$30 million,” Lau said at the monthly financial affairs panel meeting of the Legislative Council, adding their investments would benefit the local economy and capital markets.

“The large number of applications is a great response. We expect more applications as more than 3,700 inquiries have been made about the scheme. Meanwhile, we will push bankers, lawyers and accountants to bring in more applicants to Hong Kong.”

About 70 per cent of the applications were from mainlanders holding passports from West

African country Guinea-Bissau or South Pacific Ocean nation Vanuatu, Lau said, adding the rest were from citizens in 25 other countries, including Canada, Australia, the United Kingdom and the United States.

Secretary for Financial Services and the Treasury Christopher Hui Ching-yu said the popularity of the CIES was set to further boost the city’s role as a hub for family offices.

“We found that many CIES applicants had expressed interest in setting up family offices in Hong Kong. The government will follow up with them, while we will also seek ways to align the CIES and the family office development,” Hui said at the same panel.

Victor Li Tzar-kuoi, chairman of CK Asset Holdings, said his family “intends to institutionalise the establishment of a family office in Hong Kong, with long-time colleagues and family members [as] managers”.

Hong Kong had more than 2,700 single-family offices – firms established to pursue investment, philanthropy and succession planning – at the end of last year, according to a study published by Deloitte in March. Each manages between US\$10 million and US\$100 million of assets.

The government introduced tax incentives for family offices in May last year and established the Hong Kong Academy for Wealth Legacy in November to nurture talent for family offices.

These schemes, alongside the CIES, are part of government efforts under Chief Executive John Lee Ka-chiu to have at least 200 large family offices set up in the city, a target he announced in his first policy address in October 2022.

Hui said InvestHK had assisted 89 family offices in setting up operations in the city over the past two years, while a further 130 were planning to do so. There were also 750 inquiries about setting up family offices.

“The development of the CIES and the family office market will further strengthen the wealth management industry in Hong Kong,” Hui said, adding the city had more than HK\$31 trillion of assets under management at the end of last year, an increase of 2.1 per cent from a year ago.

“This has led many private bank and wealth management companies to expand their operations in Hong Kong.”

Some lawmakers had urged the government to relax the investment rules under the CIES, Hui said, adding it would consider their views. But he emphasised there was no intention to expand the scheme to cover residential properties.

Hong Kong originally introduced the CIES after the Sars (severe acute respiratory syndrome) outbreak in 2003, but the scheme was terminated in 2015 because of speculation in the property market.



If all 346 CIES applications were to be approved, they would bring at least HK\$10.38 billion of investments to Hong Kong. Photo: Elson Li

Circular economy



A worker produces an order for edge banding for export to Europe at a decorative materials workshop in Huzhou city, Zhejiang province. Edge banding is used in carpentry to cover the exposed sides of materials such as plywood or particle board,

increasing their durability and giving the appearance of a solid or more valuable material. It is applied to the plywood or board using an adhesive process, and the finished item is then trimmed and buffed. Photo: Getty Images

ECONOMY

PBOC steps up control of interest rates

Move likely to give central bank ‘more scope to manage cash conditions’

Amanda Lee
amanda.lee@scmp.com

China’s central bank stepped in to take control of interest rates with additional open-market operations from yesterday, while also tightening the band within which short-term interest rates can fluctuate.

The People’s Bank of China (PBOC) will conduct temporary bond repurchases or reverse repurchases to make open-market operations more efficient and maintain ample liquidity in the banking system.

The additional operations would be conducted “depending on the market situation” between 4pm and 4.20pm each working day, the central bank said yesterday.

The term of the temporary repos and reverse repos would be overnight, and rates would be set at 20 basis points below and 50 basis points above the seven-day reverse repo rate, according to the PBOC.

The yield of China’s 30-year government bond rebounded quickly following the central bank’s statement yesterday morn-

ing, hitting as high as 2.526 per cent after opening at 2.493 per cent, before stabilising at 2.51 per cent in the early afternoon.

Analysts believed the move paved the way for a new and narrower interest rate corridor, with the seven-day reverse repo rate serving as a main policy rate, giving the PBOC more leeway to manage cash conditions and interest rates amid increased demand for bonds, which have sent yields to record lows.

In particular, tightening the band within which short-term rates could fluctuate would help manage liquidity in the event of a bond sale, Huachuang Securities said.

A narrow interest rate corridor would help ensure more stable and predictable short-term rates to enhance monetary transmission.

“After all, if the central bank sells bonds, it may lead to liquidity tension, so the interest rate corridor ceiling actually provides a supplement to the central bank’s operations,” Huachuang said.

The latest announcement came after the PBOC said it had hundreds of billions of yuan worth

of bonds at its disposal to borrow, and would sell them depending on market conditions, according to a report by the state-backed Shanghai Securities Journal on Friday.

It was the strongest signal from the central bank that it might be contemplating selling securities to cool a market rally, driven by strong demand for safe-haven assets by mainland investors – seen by the PBOC as a risk to financial stability.

Julian Evans-Pritchard, head of China economics at Capital Economics, said the trend of plunging long-term bond yields was unlikely to turn around even if the PBOC began to buy and sell bonds in the secondary market.

“In contrast to the PBOC’s

view, we think the forces pushing down long-term yields are mostly structural and doubt they will reverse any time soon,” Evans-Pritchard said on Friday.

“China appears to be heading for a sustained period of near-zero inflation and weakening trend growth, which, coupled with a high debt burden, points to further declines in nominal rates over the medium term.

“If we are right, then the best the PBOC can probably hope to achieve is to stabilise yields around current levels for a few quarters, but not indefinitely.”

PBOC governor Pan Gongsheng said last month at a forum in Shanghai that the central bank would reform interest rate policies to improve transmission, including an “appropriately narrowed interest rate corridor.

He also warned of the risks of non-bank financial entities holding a large amount of medium- to long-term central government bonds, which he said could create a maturity mismatch and interest rate risk.

Pan cited the collapse of Silicon Valley Bank in the United States after a rapid increase in interest rates by the Federal Reserve starting in 2022, and vowed to maintain an upward sloping yield curve.

2.51%
The yield of China’s 30-year government bond surged to this much yesterday afternoon following the PBOC’s statement

PROPERTY

New flats in Tuen Mun priced at eight-year low

Salina Li
salina.li@scmp.com

A developer has priced a new project in the New Territories at an eight-year low, as companies press on with their low-price strategy to entice buyers amid a slump in market sentiment and a slowdown in transactions.

Early Light International (Holdings), which is controlled by billionaire “toy king” Francis Choi Chee-ming, yesterday revealed the first 139 units at its Tuen Mun development, Gold Coast Bay – The Uppland, would be priced at an average of HK\$9,988 per square foot.

Nan Fung Group, which launched the nearby Ori in

September 2016, priced the first batch of 134 flats at HK\$8,826 per square foot.

Last Friday, New World Development and Far East Consortium International cut the prices of flats at Pavilia Forest I in Kai Tak to the lowest in nearly eight years, as developers rely on discounts to attract buyers amid a slump in the housing market.

The first batch of units offered at The Uppland includes 72 studios, 58 one-bedroom units and nine two-bedroom flats, with areas ranging from 206 to 444 sq ft.

The cheapest unit, a 206 sq ft studio, is priced at HK\$1.84 million, or HK\$8,942 per square foot, while the biggest flat costs HK\$4.37 million.

The Uppland, comprising two residential buildings with a total of 692 units, is 33 per cent cheaper than the first batch of flats offered at the nearby Skypoint Royale project developed by Hong Kong Ferry and Empire Group.

Early Light said yesterday it had taken into account the prices of nearby projects and lived-in homes in the district when pricing the Uppland.

The company had assessed the project’s strengths and priced the units in line with the prevailing market situation, said Raymond Lee, managing director of the property development department at Early Light.

When asked whether the company would break even on the project, Lee said “we believe



The Uppland comprises two towers with a total of 692 flats.

that in the end it will be profitable”.

In another development, Continental Properties yesterday slashed the prices of the first 30 units at Amber Place in Cheung Sha Wan by a further 17 per cent to align with new projects in the area.

Dmall sets sights on listing in HK again

Shenzhen firm has completed registration with the mainland securities regulator

Zhang Shidong
shidong.zhang@scmp.com

Dmall, a digital retail services provider backed by Tencent Holdings and Lenovo Group, has completed its registration with the mainland’s securities regulator for its overseas initial public offering, paving the way for a share sale in Hong Kong.

The information was disclosed on the China Securities Regulatory Commission’s (CSRC) website on Friday.

Dmall plans to sell up to 86 million shares in Hong Kong and will have to register with the regulator again if it fails to complete the listing within 12 months. It had applied to list in the city in 2022 and 2023.

The firm is expected to raise about US\$500 million from the deal, according to people familiar with the matter.

Shenzhen-based Dmall is the latest mainland company to take advantage of a pickup in demand for new shares in Hong Kong after a rebound in stocks and a pledge by the CSRC to encourage overseas listings by domestic firms. A rally sent the Hang Seng Index into a bull market in May before the momentum faded recently.

The company was founded in 2015 by Zhang Wenzhong, who is also the founder of supermarket operator Wumart. Its technology, which enables digital transformation of bricks-and-mortar retailers to improve customer experience and efficiency, is used by more than 600 customers, including Metro and Lawson, according to its website. For instance, customers can find out the sustainability metrics and supply-chain journey of fresh produce, even live fish, simply by scanning a QR code.

Dmall entered Hong Kong in 2020, with DFI Retail Group, formerly Dairy Farm Holdings, as its major client. It helped install the self-service machines that many local shoppers now use at DFI’s Wellcome and Market Place supermarket chains. Last year, the company signed an agreement to set up its headquarters in the city’s Cyberport business park.

“When our founder set up the company in 2015, he had a vision for it to become a global enterprise, to bring the technology outside China,” Dmall CEO Marcus Spurrell told the Post in January.

“Hong Kong is the ideal springboard for us, not just to Asia but to the rest of the world, [because of] its free-trade policies, open culture and legal framework.”

The share sale will help the company expand its presence beyond Asia, with revenue from markets such as Hong Kong, Macau, Cambodia and Singapore already exceeding 100 million yuan (HK\$107 million) a year.

BUSINESS

PROPERTY



Landlords who adapt to the changing market by revamping their offerings and reshuffling tenants are tipped to do better in terms of occupancy and rent levels. Photo: Sam Tsang

HK RETAIL PAIN TO PERSIST AMID CHANGES IN SPENDING PATTERN

Sales will remain under pressure in 2024 after falling 6% year on year in first five months, S&P says

Cheryl Arcibal
cheryl.arcibal@scmp.com

More pain is in store for Hong Kong's retail market amid structural changes that have led to residents spending more overseas and online while the city attracts fewer mainland visitors who are splurging less than before, according to S&P Global Ratings.

"We anticipate Hong Kong's retail sales will be under pressure this year, after declining 6 per cent year on year for the first five months," the rating agency said in a report titled "Hong Kong Property: Survival of the Fittest".

"The weakness will span both ordinary and luxury spending. Even supermarket sales are a bit cautious. In our view, the malaise won't be lifted overnight."

As of the end of June, outbound travel had exceeded 2018 levels on an annualised basis, the report said. Crossing the border into Shenzhen for shopping and dining at comparatively lower prices has also become more popular among locals.

Meanwhile, online shopping is eating away at retailers' revenues, as its share of retail sales rose to 8.7 per cent in May, above the average 8.1 per cent in 2020 to 2022.

At the same time, tourist arrivals had not fully recovered, and spending by same-day visitors from the mainland remained lower than in 2018, S&P said.

Hong Kong is targeting 46 million visitors this year, a rise of 35 per cent from 2023, according to a government forecast. That would still be only 70 per cent of the record 65 million tourists who

came in 2018. Meanwhile, estimated spending per overnight visitor is expected to shrink by as much as 16.4 per cent to HK\$5,800 this year, from HK\$6,939 in 2023.

Tourist spending typically accounts for 30 per cent of overall retail sales in the city, and mainland tourists make up 80 per cent of tourist contributions, according to real estate broker CBRE.

The city's slumping property market, with home prices down a quarter since their peak in 2021, was further hurting consumption, S&P said. Prices were forecast to decline by as much as 10 per cent this year, which was likely to continue to weigh on consumer confidence, the report said.

The downtrend will weigh on rents for retail properties, it said.

"Hong Kong retail landlords will be signing new leases at up to

5 per cent lower than current ones, by our estimates," the report said. "Their credit profiles can withstand this, as well as our downside scenario of 10 per cent negative retail rental reversions."

Shopping centres that revamped offerings to adapt to the shift were likely to fare better than high street and individual strata-title retail properties, S&P said.

"Landlords who are proactively adapting to the changing market through asset enhancements and tenant reshuffling are likely to outperform in terms of occupancy and rent levels," said Wilson Ling, associate director at S&P.

Some major retail landlords have apparently got the memo about adapting. Hongkong Land has earmarked US\$400 million for a three-year renovation of its

Landmark properties in Central. Tenants including Cartier, Chanel, Dior and Louis Vuitton are putting in another US\$600 million to create unique spaces.

Sun Hung Kai Properties had shifted its tenant mix by introducing mainland brands to domestic shoppers and international brands for visitors from across the border, S&P said.

It also created a pet-friendly area in its Yoho Mall in Yuen Long, while New Town Plaza in Sha Tin reconfigured its rooftop as a dinosaur-themed playground. These efforts seem to be working, as the developer has kept occupancy at 95 per cent.

Vacancy rates in the first quarter were between 1.3 per cent and 5 per cent in shopping centres and 6.8 per cent to 12.8 per cent in high street shops, S&P said.

High street rents have fallen by about 30 per cent from a peak in 2019, according to CBRE

TECHNOLOGY

Microsoft commits to putting AI in city's classrooms

About 220 pupils in primary school get access to chatbot and text-to-image generation tools

Kelly Le
kelly.le@scmp.com

US technology giant Microsoft is showing a long-term commitment to providing generative artificial intelligence (GenAI) services in Hong Kong with educational initiatives as its investee, OpenAI, restricts access in the city and on the mainland.

In its latest push into classrooms, Microsoft worked with the Education University of Hong Kong Jockey Club Primary School to provide AI services starting from the last academic year that ended in June. About 220 pupils in Primary Five and Six were given access to Microsoft's chatbot and text-to-image generation tools, powered by OpenAI's GPT and Dall-E models, in science classes.

guarantee to maintain its Azure AI services, which rely on OpenAI's models, saying the API restrictions had "no impact" on the tech giant.

The firm's OpenAI investment reportedly entitles it to as much as 49 per cent of the profits of the for-profit arm.

"All the universities ... our government-funded universities, already acquired this Azure OpenAI service, so they are qualified customers," Sheu said.

Microsoft's business in China has recently been the subject of political scrutiny back home. US lawmakers questioned Microsoft president Brad Smith last month about the firm's China operations. Smith said China accounted for just 1.5 per cent of its global revenue, and he confirmed the firm was offering to relocate 700 to 800 employees to other markets.

The firm reached deals with eight universities in the city last year to promote its AI services. The tech giant's K-12 expansion comes through its global training partner, Gamennoodlesoup, an education and entertainment technology developer.

Anderson Yu, founder of Gamennoodlesoup, said his firm had worked with the school since April last year to fit Microsoft Azure cloud services.

I think our education offerings in Hong Kong definitely will continue

FRED SHEU, MICROSOFT HONG KONG

"I think our education offerings in Hong Kong definitely will continue," said Fred Sheu, national technology officer at Microsoft Hong Kong. "[Microsoft planned to] roll out this solution to all the schools in Hong Kong. That's definitely our strategy and plan in the next few years."

Microsoft has been heavily pushing its AI services in Asia and has maintained its commitment to Hong Kong even as rivals keep their distance amid US-China geopolitical tensions. OpenAI recently restricted access in the city to its application programming interface (API).

Sheu reiterated Microsoft's

For AI services specifically, Microsoft is left with the same challenge facing many other tech firms: proving the worth of GenAI in real-world applications.

Elsa Cheung Kam Yan, principal of the Jockey Club Primary School, said AI could enhance the effectiveness of learning and teaching, as students would have "widened exposure" to information and more freedom to explore outside their textbooks.

The school planned to expand the usage of AI to more classes, vice-principal Philip Law Kam Yuen said.

Charting Hong Kong's Future as Asia's World City

Redefining Hong Kong Series 2024

August 9, 2024 (Fri) | JW Marriott Hotel, Hong Kong

THE INFORMER

EVENTS

Wednesday, September 11: Belt and Road Summit (until September 12).

Thursday, September 12: ReThink HK - Sustainable Business Forum & Solutions Expo (until September 13). Hong Kong Convention and Exhibition Centre.

RESULTS

Today Special Dividend: Swang Chai Chan

July 11 3rd Quarter: Fast Retailing

July 12 AGM: China Ting Group Holdings

July 15 Final: Century Energy International Holdings
AGM: Le Saunda Holdings

July 18 AGM: Lenovo Group, Mobile Internet (China) Holdings

July 19 AGM: Topsports International Holdings

July 22 AGM: Jiu Rong Holdings

July 24 Final: Wanka Online Inc.
AGM: Chow Tai Fook Jewellery Group, VTech Holdings

July 25 AGM: Chi Ho Development Holdings, China New Consumption Group

July 26 AGM: Oriental Payment Group Holdings, Shentong Robot Education Group

July 29 AGM: Novacon Technology Group

July 30 Interim: Hang Lung Group, Hang Lung Properties
AGM: Grand Talents Group

July 31 Interim: HUTCHMED (China) Final: Oi Wah Pawnshop Credit Holdings, QPL International Holdings, Vongroup, Wisdom Wealth Resources Investment Holding Group
AGM: Echo International Holdings Group, Shi Shi Services, Willas-Array Electronics (Holdings)



Pupils at the Jockey Club Primary School try an AI platform powered by Microsoft to help with their studies. Photo: Kelly Le

TECHNOLOGY

Event to mark 30 years of internet connectivity as industry faces challenges

Ben Jiang
ben.jiang@scmp.com

China's government-backed internet conference is commemorating 30 years of online access in the country this year, as Beijing seeks to revive growth in the sector amid economic pressures.

The three-day China Internet Conference (CIC) hosted by the Internet Society of China, a government-backed industry association, starts today in Beijing. It is set to showcase the country's achievements as the world's largest internet market, with about 1 billion users, and explore new opportunities for development, according to the agenda published on the event's website.

Major industry topics will be covered at the event, according to the organiser, including artificial intelligence (AI), the internet of things, computing power, e-government and data security. One session scheduled for Thursday is specifically on large language models (LLMs), the technology behind AI chatbots such as OpenAI's ChatGPT.

Three decades after the launch of China's first internet connection, the country is now grappling with an intense technological rivalry with the United States. As China's tech sector faces challenges such as limited access to advanced chips and US venture capital, the internet industry is

still recovering from a two-year crackdown in the country that began at the end of 2020.

Beijing's efforts to rein in capital expansion kneecapped some of the country's biggest internet players. The value of Tencent Holdings, the country's most valuable tech giant, is just a fraction of that of the biggest US tech firms such as Microsoft and Apple.

A theme of this year's CIC is looking back at internet development since the country was brought online on April 20, 1994. That 64 kilobytes-per-second line from the National Computing and Networking Facility of China was connected to the network of Sprint, a US telecoms firm, officially marking the country's integration with the global internet.

After decades of unbridled growth that gave birth to some of the world's largest tech firms, some of which are now considered national tech champions, the Chinese internet industry has recently been reeling from a combination of factors, contributing to stalled growth. Unfavourable government policy seeking to rein in the power of tech giants and shifting consumer behaviour amid a slow economy have weighed on the industry.

The government has sought to soften its tone regarding internet firms since the end of the pandemic, asking the companies to play a bigger role in the economy by creating jobs and engaging in international competition.

CONTACT US

Business News Desk
Telephone 2565 2653
Fax 2565 1624
Email bizpost@scmp.com
If you have information on events that should be included here, email business.diary@scmp.com

Hong Kong is at a crossroads. The past few years have brought many challenges; from the wide-reaching impact of the pandemic to the trials and tribulations faced by the retail sector, exacerbated by many Hongkongers relocating overseas.

Despite times of adversity, however, the city has persevered. Today, tourism is seeing a revival and the city's talent pool, both new and returning, is beginning to thrive again.

As Hong Kong starts to navigate its future path, join us at the South China Morning Post's Redefining Hong Kong event as we discuss solutions, ignite inspiration and chart a course for the next transformative chapter for Asia's World City.

Join us at Redefining Hong Kong Series 2024 - Future of Hong Kong.



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Chairman & CEO, Tse Sui Luen Jewellery (International) Ltd,
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BUSINESS

Investors in ‘risk-on’ mode as rate cuts loom

Equities and bonds in spotlight whereas cash products lose favour, survey shows

Yuke Xie
yuke.xie@scmp.com

For more than a decade, investors across Asia-Pacific have allocated close to half of their assets to cash-related products, but the prospect of a global cycle of interest rate cuts will soon prompt them to turn towards equities, according to a survey.

Investors in six Asia-Pacific markets – Australia, the mainland, Hong Kong, Japan, Taiwan and Singapore – are gearing up to shrink their cash positions and adopt a more “risk-on” position in asset classes such as equities and bonds, according to a survey published yesterday by Fidelity International. Doing so will allow them to tap opportunities stemming from an expected interest rate cut by the US Federal Reserve.

The survey of more than 6,000 respondents in late May found 53 per cent of investors planned to increase their allocation to equities, which historically benefit from lower interest rates, while 64 per cent were looking to allocate money to income-producing assets.

The percentage of investors planning to move to riskier assets was particularly high in Taiwan, Singapore and Australia, at around 60 per cent.

Regardless of their investment objectives or time frame, investors in the region expect an annual return of 8 per cent. Those in Taiwan and Australia are more optimistic, expecting returns of 9.5 per cent and 8.8 per cent, respectively.

“With most investors primarily investing for long-term capital accumulation and expecting an annual rate of return of around 8 per cent, looking at options beyond cash is critical,” said Terrence Kan, a client portfolio strategist at Fidelity.

The Fed decided to maintain interest rates at between 5.25 per cent and 5.5 per cent last month, acknowledging weaker inflation readings but saying it needed more data before deciding to adjust rates.

According to a May report from Morgan Stanley, the US central bank is likely to begin cutting interest rates in September. It expected a deceleration in inflation during the second half of the year would provide the Fed with enough confidence to proceed with rate reductions.

Fidelity’s report showed that while there was a growing appetite among Asia-Pacific investors for risk assets, 40 per cent still planned to increase their cash positions and 24 per cent were looking to add to their term deposits. This is especially true for the mainland and Japan, where people tend to invest more conservatively, while those in Hong Kong and Singapore favour more diversified portfolios with a “significant” equity exposure.

“It is encouraging to see that most investors are thinking about the long term when they invest,” Kan said.

ELECTRIC VEHICLES



Company officials at the signing ceremony for Shenzhen-based BYD’s agreement to buy a stake in Rever over the weekend. Photo: Weibo

BYD BUYS 20% STAKE IN THAILAND DISTRIBUTOR

Deal comes days after the top EV maker opens its first factory in the country as it looks to tap Southeast Asian market amid Western tariffs

Daniel Ren in Shanghai
ren.wei@scmp.com

BYD, the world’s largest electric-vehicle (EV) builder, has agreed to buy a 20 per cent stake in its Thailand distributor as it ramps up efforts to tap the Southeast Asian market while it faces higher tariffs in the United States and the European Union.

The Shenzhen-based carmaker announced it signed a pact with Rever Automotive on Saturday. It did not disclose the terms.

The signing came just two days after the carmaker, backed by Warren Buffett’s Berkshire Hathaway, put its first Thailand-based factory into operation.

“Following the operation of the plant, our sales network [in Thailand] will be expanded accordingly,” the company said in

a statement yesterday. “In future, our cooperation will not only involve passenger car sales, but [also] commercial vehicles.”

At present, BYD tops all other players in terms of EV sales in Thailand. It delivered 5,578 electric cars in the country between January and March, according to the China Passenger Car Association. That translated to 46 per cent of the Thai EV market, data by research firm Counterpoint showed.

“The EV markets in Thailand and Southeast Asia are growing fast and they offer growth opportunities for Chinese companies like BYD,” said David Zhang, general secretary of the International Intelligent Vehicle Engineering Association.

“As Chinese EV builders grapple with difficulties in increasing deliveries to the US and European markets, they will

target Southeast Asia, the Middle East and Africa to quicken their go-global pace.”

BYD began selling its Chinese-made vehicles in Thailand through a partnership with Rever in August 2022. The dealer currently runs 115 BYD outlets across the country.

On Thursday, as the first cars rolled off the new Thailand production line in Rayong, BYD said it had reached a milestone of producing 8 million electric cars.

The US\$490 million factory, which is also the carmaker’s first beachhead in Southeast Asia, has an annual capacity of 150,000 units and employs 10,000 staff.

BYD manufactures fully electric models under the brands of Dolphin, Seal and Atto 3.

The firm is being investigated by Thai authorities for offering aggressive discounts that left some buyers feeling they overpaid

for its cars. The inquiry came after a BYD customer alleged a sales representative had asserted the price of the model the customer bought would rise after a discounting campaign ended, but instead the dealership later aggressively cut the price further, Reuters reported, citing a government statement.

A price war among Chinese EV assemblers is spreading to overseas markets as a raft of companies offer discounts to lure local customers.

BYD fired the first salvo in the price war on the mainland, slashing prices on nearly all its cars by 5 to 20 per cent since mid-February. Since then, the prices of 50 models across a range of brands had dropped by 10 per cent on average, Goldman Sachs said in a report last month.

In May, the White House announced a quadrupling of tariffs on Chinese-made EVs. Last Thursday, additional European duties of 17.4 to 37.6 per cent on these cars provisionally came into effect.

RENEWABLES

‘Market can solve overcapacity in new energy sector’

Academic says Beijing should let inefficient firms fail instead of ordering them to halt production

Ji Siqi
siqi.ji@scmp.com

Although support from local governments has stimulated explosive growth of the new energy sector, Beijing should refrain from further government intervention and let the market do its work to weed out excess capacity, a prominent academic has said.

In light of increased complaints from the West regarding overcapacity, China should fully tap its domestic demand for renewable energy by solving choke points in consumption, said Zhao Zhongxiu, president of the University of International Business and Economics in Beijing.

“Comparing current domestic production capacity and directional demand, there is actually no so-called overcapacity,” Zhao, an authority on international trade and global value chains, told the Post.

Excessive production in the sector was the result of a “complete and competitive” supply chain that spurred iterative advancements in technology, Zhao added.

“Not long after the goods of the previous generation were put into production, the new generation of technology has already come out and replaced the old one, which has to exit the market,” he said.

“[This] in turn leads to some idle or even wasteful production capacity.”

Thus, he said, the government should allow the market to eliminate inefficient or outdated production capacity in new energy, rather than issue administrative orders forcing companies to shut down production – a measure China adopted in the past when dealing with the same problem in the heavy industry such as coal, steel and cement, which was the backbone of the country’s early modern economy.

While the old methods had to be adopted due to local protectionism – regions kept the fires roaring despite low or non-existent profits – Zhao said the role of the state should be reduced for new energy, especially as private firms currently dominated the market.

“I would say this is a lesson. Since we have been deepening reform, which means further unleashing the role of the market ... [the government] should no longer intervene [in the market] forcibly via administrative means,” he said.

For China’s green energy sector, Zhao conceded local leadership and administration had fuelled competition and expedited development, citing the example of Hefei, capital of Anhui province, which in a few scant years had been transformed from an industrial backwater to a hub for the electric-vehicle supply chain.

But not all cities and provinces had the same luck, he said, and failure would mean an enormous

waste of capital and resources, but one that would ultimately form a part of the industrial life cycle.

“Even though it seems wasteful, it is a necessary cost for industry’s iterative competition,” Zhao said.

As the rapid development of China’s green sector has already raised alarm bells in the United States and the European Union – both of which have imposed tariffs against new energy imports from China, citing “unfair” subsidies from the government – Zhao said domestic companies should explore the opportunities in emerging markets, including by investing in local production.

“It is not yet the time to say the market is so saturated that it cannot survive without the US,” he said.



“Comparing current domestic production capacity and directional demand, there is actually no so-called overcapacity

ZHAO ZHONGXIU, ACADEMIC

Meanwhile, he added, China’s massive domestic consumption potential for green products, from electric vehicles to solar panels, had yet to be fully unleashed.

For example, one of the biggest hurdles for the integration and consumption of wind and solar energy – sources that can be unpredictable even in ordinary times – is the lack of infrastructure such as storage facilities and extra power grids.

“To further optimise domestic market conditions, we need to resolve these points,” Zhao said.

Despite worsening trade fragmentation, he added, China should commit to the openness of its own market by letting foreign players compete with domestic ones on a level playing field.

“Because there is such a large market in China, it can accommodate lots of manufacturers. Everyone is improving in the process. In the end, it would be survival of the fittest,” Zhao said.

COMPANIES

Alibaba Cloud’s new adverts tout AI computing power

Wency Chen
wency.chen@scmp.com

Alibaba Group Holding’s cloud computing unit yesterday launched a new advertising campaign on the mainland featuring top executives from start-up Moonshot AI and online recruitment platform Zhilian Zhaopin amid fierce competition in the local market.

The advertisements, currently displayed at airports in Beijing and Hangzhou, capital of Zhejiang province, promoted the market leader’s capability of supporting artificial intelligence (AI) development at well-known Chinese companies with the

slogan “Alibaba Cloud is the cloud I use”.

In one advertisement, Yang Zhilin, founder of Moonshot AI, one of the country’s top start-ups dubbed the “new AI tigers”, praised Alibaba Cloud’s “robust computing power” and large

model service platform for enhancing the efficiency of its Kimi model.

Alibaba, owner of the Post, is a major backer of Moonshot AI, having spent around US\$800 million to acquire a 36 per cent interest in the start-up. Kimi Chatbot, launched last October and powered by Moonshot AI’s self-developed model, is seen as one of China’s most promising answers to OpenAI’s ChatGPT.

Another advertisement showed Zhang Yuejia, group president at Zhilian Zhaopin, crediting Alibaba Cloud for helping the firm quickly adopt large AI models in human resources applications.

China’s cloud giants have been engaged in an intensifying

competition since last year, as rivals slashed prices to lure clients ranging from big names to small and medium-sized enterprises.

While Alibaba Cloud at the end of 2023 maintained its leading position in the domestic market with a 39 per cent share, growth slowed to 3 per cent compared with Huawei Cloud’s 23 per cent and Tencent Cloud’s 27 per cent, according to researcher Canalis.

In the March quarter this year, sales from Alibaba Cloud rose by 3 per cent year on year to 25.6 billion yuan (HK\$27.5 billion).

Alibaba Cloud and others were gunning for a market that was expected to expand faster this year, thanks partly to the popularity of generative AI, Canalis said.

MARKETS

Optimism over Modi economic reforms fuels surge in Indian stocks

Biman Mukherji
biman.mukherji@scmp.com

Investor optimism over Indian Prime Minister Narendra Modi’s push for greater economic reforms and a new digital payment programme connecting millions of consumers is fuelling a rally in the stock market, driving the benchmark BSE Sensex index to record highs.

Despite initial concerns about the ruling Bharatiya Janata Party’s failure to secure an outright majority in last month’s elections, the Sensex has continued to surge, barrelling past successive all-time highs since Modi’s government secured a third term.

Market players have largely shrugged off worries about the government’s stability. On Wednesday, the Sensex rose to a historic 80,000 points before slipping back below that level on Friday amid profit taking and a dip in loan drawdowns by India’s top private lender, HDFC Bank. Even so, the index has still gained 11 per cent over the past six months.

Investors are broadly positive about India’s macroeconomic situation, reforms, and improved ease of doing

business, according to Sanjeev Prasad, managing director and co-head of Kotak Institutional Equities.

Investors also remain bullish that the Modi government will unveil more investor-friendly programmes, including easier taxation measures, in the next budget, which is expected to be introduced during parliament’s budget session starting on July 22.

Observers will also be monitoring whether the government moves to facilitate easier land purchases and push greater flexibility around land use, among other potential measures.

Political stability was seen as a catalyst for driving foreign investment inflows into India, London-based investment data company Preqin said in a newsletter late last month.

“India is also perceived by many as a beneficiary of shifts in the geopolitical landscape,” it said, noting that the country accounted for 15.4 per cent of global economic growth last year, compared with 7.1 per cent for Europe.

In a November investor survey cited by Preqin, 59 per cent of respondents viewed India as one of the emerging markets with the most potential, eclipsing China at just 17 per cent.

The survey also highlighted that

India’s fintech sector was experiencing “explosive” growth, with substantial room to expand as a significant portion of the country’s population remained unbanked, extending beyond just basic banking services.

“There’s a large section of Indian households which are underserved by the banking industry. Fintechs, by partnering with banks, are bringing down the cost of delivery of financial services significantly,” said Rohan Lakhaiyar, a partner at accounting and consulting services firm Grant Thornton Bharat.

Financial services firms have emerged as front runners in India’s recent stock rally – a marked shift from about a decade ago when banks were burdened with high levels of non-performing loans due to a less robust regulatory framework, coupled with digitisation efforts.

The central bank recently reported that banks’ bad-loan ratios had now fallen to multiyear lows of 2.8 per cent as of March, and were expected to drop further to 2.5 per cent by the next financial year.

Most banks and non-banking financial companies remain reasonably valued, even after the

recent market run-up, according to Kotak’s Prasad.

“Almost all banks have a higher share of retail loans in their overall loan book,” he said.

Part of the exuberance in India’s stock markets has stemmed from the country’s increased weighting in a crucial global index – Morgan Stanley’s MSCI index. Expectations that HDFC would get an even higher weighting further bolstered sentiment this week.

The underlying investment sentiment is also being underpinned by domestic retail investors who have been diversifying away from traditional bank deposits and towards capital markets, according to Grant Thornton’s Lakhaiyar.

“The young Indian demographic is less risk-averse than [the] previous generation and is actively investing in stock markets,” he said, adding these investment trends suggested a



India’s benchmark BSE Sensex index has been hitting record highs. Photo: Reuters

self-perpetuating cycle for India’s capital markets.

That trend has resulted in domestic mutual fund assets under management growing by 35.5 per cent in the financial year that began this past April, according to recent data.

“The prime movers of the market currently are domestic investors who are pumping more money in,” said V.K. Vijaykumar, chief investment strategist at Geojit Financial Services.

Despite hopes about Modi ushering in further reforms, there are concerns that the government may be tempted to introduce a more populist budget to boost welfare spending, after winning fewer parliamentary seats than expected in the recent elections.

High youth unemployment has emerged as a recurring source of voter dissatisfaction, while weak agricultural growth has also irked the crucial farming community.

ANZ Bank said in a report on Friday that “a step-up in welfare spending is on the cards”. It also projected India would be able to meet its fiscal deficit target of 0.45 per cent of gross domestic product by the 2026 financial year, underpinned by strong overall economic growth.

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WATER POLLUTION CONTROL ORDINANCE
(Chapter 358)

NOTICE UNDER SECTION 19(3)

Water Pollution Control Authority, North Western Water Control Zone

Notice is hereby given that the following application has been received by the Authority under the Water Pollution Control Ordinance —

Type of application	— Renewal of a licence
Type of discharge or deposit	— Effluent arising from sewage treatment works
Name of premises or plant	— Pillar Point Sewage Treatment Works, Lung Mun Road, Tuen Mun, New Territories
Receiving waters	— North Western Water Control Zone
Temperature	— Environmental temperature
Method of treatment	— Screening and grit removal, chemically enhanced primary treatment, ultraviolet disinfection and submarine outfall
New components	— Not applicable
Maximum flow rate or water consumption	— 525,000 m ³ /day

Copies of the above application/s may be inspected during office hours in the register, which is kept at the Environmental Protection Department at 8/F., Tsuen Wan Government Offices, 38 Sai Lau Kok Road, Tsuen Wan, New Territories.

Objections to the grant of any application noted above should be lodged in writing at the same office, setting out the reason for objection, within 30 days of the notice. The only ground of objection specified in section 19(4) of the Water Pollution Control Ordinance is that the grant of an application would tend to inhibit the attainment or maintenance of the water quality objectives established under section 5 of the Ordinance in respect of the North Western Water Control Zone.

SUBSTITUTE SERVICE FOR MR. BOMBANA UMBERTO

Following the order of Master Ross Li dated 21st June 2024

IN THE DISTRICT COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
CIVIL ACTION NO.1097 OF 2023

BETWEEN

ENOTECA ITALIANA LIMITED Plaintiff (Judgment Creditor)

AND

A HUNDRED HORSE LIMITED and WAI HIU MAY 1st Defendant
BOMBANA UMBERTO 2nd Defendant (Judgment Debtor)

**BEFORE MASTER ANNY CHAK OF THE DISTRICT
COURT IN CHAMBER ORDER FOR EXAMINATION OF
JUDGMENT DEBTOR**

UPON the application of the Plaintiff (Judgment Creditor)

AND UPON reading the Affidavit of Bianchi Marco together with the exhibits therein referred to filed herein 18th January 2024 and Supplemental Affidavit of Bianchi Marco filed herein on 28th February 2024

IT IS ORDERED that the 2nd Defendant (Judgment Debtor) do attend Master Ross Li in Chamber (open to public), at the District Court of the Hong Kong Special Administrative Region, sitting at the Court No.16, 5/F Wan Chai Tower, 12 Harbour Road, Wan Chai, Hong Kong, on the day 28th March 2024 at 2:30 o'clock in the afternoon, subsequently adjourned by the Order of Master Ross Li dated 28th March 2024, adjourned to 22nd August 2024 at 2:30 p.m. in Court No.16 and, be orally examined pursuant to Order 49B rule 1 of the Rules of District Court as to what debts are owing to the 2nd Defendant (Judgment Debtor) and whether the 2nd Defendant (Judgment Debtor) has any and what other property or means of satisfying the Judgement entered herein on 15th December 2023 and do produce any books or documents in the possession or power relating to the 2nd Defendant's (Judgment Debtor's) assets and liabilities at the time of the examination and that the costs of this application and of the examination thereunder be in the discretion of the Master in whose Court examination has taken place.

PENAL NOTICE: If you, the within-named **Mr. BOMBANA UMBERTO** neglect to obey this order within the time specified therein, you will be liable to process of execution for the purpose of compelling you to obey the same.

You can collect a copy of the orders at the Registry office 6/F of the District Court

Hong Kong Tourism Board
Tender Notice

Reference No.:	EPD(3)20240709
Procuring Department:	Event and Product Development
Tender Name:	Pyrotechnic, Firework, Lighting & LED Display for Hong Kong New Year Countdown Celebrations
Scope of Works/ Services:	Hong Kong Tourism Board (HKTb) will stage a New Year Countdown event with pyrotechnic, firework, lighting & LED displays on 31 December 2024. The show aims at putting Hong Kong on par with the countdown events in major cities like London, New York and Sydney.
Collection of Project Brief/ Specification and Tender Documents & Conditions:	Hong Kong Tourism Board Address: 11/F, Citicorp Centre, 18 Whitfield Road, North Point, Hong Kong Contact Person: Ms Hester Wong Telephone No: +852 2807 6354 Email: hester.wong@hktb.com Tenderers who wish to collect the tender documents shall write a letter on company letterhead together with contact details (including company name, name of contact person, email address of contact person) and a copy of Business Registration Certificate, send by email or fax to the above contact person of the Hong Kong Tourism Board Upon collection of EOI, tenderer will receive an email notification via an e-tendering system <i>SAP Ariba</i> . Tenderers are required to register as registered user of <i>SAP Ariba</i> to view the Project Brief and Tender Documents & Conditions.
Closing Date & Time:	Date: 19 August 2024 (Monday) [Hong Kong] Time: 12 noon (GMT + 8) In the event of a typhoon signal No. 8 or above or rainstorm black warning is issued on the closing date before the closing time, the tender closing time will be postponed to the same time on the first working day immediately after the signal or warning is lowered.
Submission of Tender:	Tenderers must be completed in accordance with the Tender Documents & Conditions. Tenderers must submit the tender electronically via the e-tendering system <i>SAP Ariba</i> . Late submission will not be accepted.
Tenderer must meet these minimum requirements:	The vendor must have relevant experience in producing Fireworks and pyrotechnic shows and/or LED displays.

You must comply fully with the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

Any information or communications between you and Hong Kong Tourism Board (HKTb) in connection with the captioned subject are private and confidential. You shall not disclose or otherwise divulge the same without our prior written consent.

HKTb reserves the right not to appoint any company to undertake the project. The lowest fee bid may not necessarily be accepted as the successful bid. HKTb is not responsible for any cost incurred by you in the preparation of the tender and in responding to this notice. HKTb reserves the right to change or cancel this notice without prior notice or liability to any parties. You will be deemed to have accepted these conditions if you respond to this notice.

This tender notice is available in HKTb website at <https://www.discoverhongkong.com/>

9 July 2024

Declaration

We declare that the vehicle with plate number 粵Z.3507/港/UX4942 is the only vehicle and GD-HK Cross-boundary Vehicle License registered under Noble China Group Company Limited. Any claim of ownership of another GD-HK Cross-boundary Vehicle License or vehicle by Noble China Group Company Limited is false. We affirm the validity of this declaration and categorically state that any claims of additional vehicles or GD-HK Cross-boundary Vehicle Licenses under Noble China Group Company Limited are fraudulent.

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Tender Notice

Asia Airfreight Terminal Company Limited (AAT) is a franchised air cargo terminal operator based at the Hong Kong International Airport. Now, AAT is seeking contractors for **Replacement Work for Chiller System (CH-2) in Terminal 1 for Asia Airfreight Terminal Company Limited ("AAT")**.

Interested party shall contact us at least 1 day prior to collection of tender document. An authorized representative should attend in person with company chop, authorization letter and name card to collect the tender document and present with a non-refundable crossed cheque in the amount of HK\$1,000 payable to "Asia Airfreight Terminal Co. Ltd." Details are as follows:-

Collection Period & Time : 10 July 2024 to 12 July 2024 between 9am to 5pm

Collection Venue : Support Services Division, Room 601, 6/F, Terminal 2, Asia Airfreight Terminal Co Ltd, 10 Chun Ping Road, Lantau, Hong Kong

Contact Persons : Ms. Yinky Ngai / Ms. Cherry Kwan
Contact no. : 2949 7333 / 2949 7815

AAT reserves the right to negotiate with any tenderer about the terms of the offer.

Selection of successful tenderer will be at AAT's sole discretion, AAT shall not be responsible for any cost associated with any submission in response to this notice.

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Legal & General Notices

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I. NOTICE of the CLASSIFICATION of the articles is given by the Obscene Articles Tribunal, pursuant to section 19(1)(b)(ii), 19(1)(c) and 19(2) of the Control of Obscene and Indecent Articles Ordinance, Chapter 390 of the Laws of Hong Kong (hereinafter called “the said Ordinance”) :			OBSCENE ARTICLES TRIBUNAL NOTICES		
1. Case No. : OAGD000085/2024			Applicant : Director of Film, Newspaper and Article Administration		
Description of Article : Video downloaded from ‘Youtube’			Result of Classification : Class II article (indecent)		
Title of Video : Satyricon – Fuel For Hatred			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
Applicant : Director of Film, Newspaper and Article Administration			Take measures to limit access to viewers 18 years of age or above only.		
Result of Classification : Class II article (indecent)			6. Case No. : OAGD000100/2024		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Description of Article : Video downloaded from ‘Youtube’		
Take measures to limit access to viewers 18 years of age or above only.			Title of Video : Horror Short Film “Instinct” ALTER Exclusive		
2. Case No. : OAGD000086/2024			Applicant : Director of Film, Newspaper and Article Administration		
Description of Article : Video downloaded from ‘Youtube’			Date of Application : 28.6.2024		
Title of Video : The Pretty Reckless – My Medicine (Official Music Video)			Date of Interim Classification : 2.7.2024		
Applicant : Director of Film, Newspaper and Article Administration			Result of Interim Classification : Class II article (indecent)		
Result of Classification : Class II article (indecent)			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Take measures to limit access to viewers 18 years of age or above only.		
Take measures to limit access to viewers 18 years of age or above only.			7. Case No. : OAGD000101/2024		
3. Case No. : OAGD000087/2024			Description of Article : Video downloaded from ‘Youtube’		
Description of Article : Video downloaded from ‘Youtube’			Title of Video : Filming a Lingerie / Topless Photoshoot and Setting it to Music (18+) with models Katie & Alex		
Title of Video : Felix Leiter – Elektriqa (Dirty Version) [X-Rated]			Applicant : Director of Film, Newspaper and Article Administration		
Applicant : Director of Film, Newspaper and Article Administration			Date of Application : 28.6.2024		
Result of Classification : Class III article (obscene)			Date of Interim Classification : 2.7.2024		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Result of Interim Classification : Class II article (indecent)		
Take measures to limit access to viewers 18 years of age or above only.			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
4. Case No. : OAGD000088/2024			Take measures to limit access to viewers 18 years of age or above only.		
Description of Article : Video downloaded from ‘Youtube’			8. Case No. : OAGD000102/2024		
Title of Video : Scream in Darkness – Кровавая ванна (Official Music Video) UNCENSORED AGE-RESTRICTED VERSION			Description of Article : Video downloaded from ‘Youtube’		
Applicant : Director of Film, Newspaper and Article Administration			Title of Video : Cette obscure tentation (english subtitles) - Film de Renaud Ducoing		
Result of Classification : Class II article (indecent)			Applicant : Director of Film, Newspaper and Article Administration		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Date of Application : 28.6.2024		
Take measures to limit access to viewers 18 years of age or above only.			Date of Interim Classification : 2.7.2024		
5. Case No. : OAGD000089/2024			Result of Interim Classification : Class II article (indecent)		
Description of Article : Video downloaded from ‘Youtube’			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
Title of Video : Merrimack – “In the halls of white death”(uncensored)			Take measures to limit access to viewers 18 years of age or above only.		
Applicant : Director of Film, Newspaper and Article Administration			9. Case No. : OAGD000103/2024		
Result of Classification : Class III article (obscene)			Description of Article : Video downloaded from ‘Youtube’		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Title of Video : PEEP SHOW - horror, splatter short movie		
Take measures to limit access to viewers 18 years of age or above only.			Applicant : Director of Film, Newspaper and Article Administration		
6. Case No. : OAGD000090/2024			Date of Application : 28.6.2024		
Description of Article : Video downloaded from ‘Youtube’			Date of Interim Classification : 2.7.2024		
Title of Video : Horror Short Film “La Sirena” ALTER			Result of Interim Classification : Class II article (indecent)		
Applicant : Director of Film, Newspaper and Article Administration			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
Result of Classification : Class III article (obscene)			Take measures to limit access to viewers 18 years of age or above only.		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			10. Case No. : OAGD000104/2024		
Take measures to limit access to viewers 18 years of age or above only.			Description of Article : Video downloaded from ‘Youtube’		
7. Case No. : OAGD000091/2024			Title of Video : Trois / EICAR 2013		
Description of Article : Video downloaded from ‘Youtube’			Applicant : Director of Film, Newspaper and Article Administration		
Title of Video : 18+ Драма. “Теория Струн”			Date of Application : 28.6.2024		
Applicant : Director of Film, Newspaper and Article Administration			Date of Interim Classification : 2.7.2024		
Result of Classification : Class III article (obscene)			Result of Interim Classification : Class II article (indecent)		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
Take measures to limit access to viewers 18 years of age or above only.			Take measures to limit access to viewers 18 years of age or above only.		
8. Case No. : OAGD000092/2024			Description of Article : Video downloaded from ‘Youtube’		
Description of Article : Video downloaded from ‘Youtube’			Title of Video : LE CONTE DES BORG - Le Film Gratuit (-16 ans)		
Title of Video : LE CONTE DES BORG - Le Film Gratuit (-16 ans)			Applicant : Director of Film, Newspaper and Article Administration		
Applicant : Director of Film, Newspaper and Article Administration			Result of Classification : Class III article (obscene)		
Result of Classification : Class III article (obscene)			In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Take measures to limit access to viewers 18 years of age or above only.		
Take measures to limit access to viewers 18 years of age or above only.			9. Case No. : OAGD000093/2024		
9. Case No. : OAGD000093/2024			Description of Article : Video downloaded from ‘Youtube’		
Description of Article : Video downloaded from ‘Youtube’			Title of Video : תירחא רבד - After All		
Title of Video : תירחא רבד - After All			Applicant : Director of Film, Newspaper and Article Administration		
Applicant : Director of Film, Newspaper and Article Administration			Date of Application : 26.6.2024		
Result of Classification : Class III article (obscene)			Date of Interim Classification : 2.7.2024		
In accordance with section 8(2)(c) of the said Ordinance, the Tribunal imposed the following condition relating to its publication :			Ms Iris LAM for Registrar, High Court		

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**Ipsos Affluent Survey Asia Pacific Q2 2022*



“ The Shanghai art scene is very gay – but carefully so. Shanghai’s glitz is a gay magnet for the rest of China, as well as a respite from Beijing’s dominant cis-heteronormative machismo

SHANGHAI ART WRITER LISA MOVIVUS REFLECTS ON THE NATURE OF GAY LIFE ON THE MAINLAND DURING A VISIT BY OPENLY GAY ACTOR AND PODCASTER RUSSELL TOVEY > ARTS & CULTURE B9

TRAVEL



Kayaking is a popular activity on Gili Asahan. The island is a short boat ride from Lombok but a world away from the hustle and bustle of its neighbour. Photos: Josh Edwards

Indonesian bolthole as tranquil as it is beautiful

Gili Asahan, off Lombok, offers sanctuary from the party scene next door

Leyla Rose
life@scmp.com

My pre-booked boat pushes off from a beach on the Indonesian island of Lombok, gliding through calm waters and passing the emerald-green hills and empty beaches of Sekotong Bay – a welcome indicator of the weekend ahead.

Minutes later, my destination draws into focus, stark white sand glistening in the morning sun. Jumping into the shallow waters of Gili Asahan, off the southwest “tail” end of Lombok, is to be transported to a desert island paradise.

Asahan has no roads or motor vehicles, and only five hotels. There is just one, small community of permanent residents, all of whom live here only because of the tourism work.

It is a world away from Lombok’s better-known *gilis* (islands) to the north – Trawangan, Meno and Air, collectively known as the Gili Islands – where tourists arrive in crowds on the fast-boat

service from Bali. But the lack of full moon parties and Irish pubs is what makes Asahan so appealing. It is the kind of draw the Gili Islands had 30 years ago – an ideal destination for anyone looking to disconnect and reset.

Noise pollution is ubiquitous these days – just half an hour on Lombok’s roads will confirm that – and in a world of overstimulation, it is no surprise that



A room at Pearl Beach Resort on Gili Asahan off Lombok.

“quietude travel” is considered one of this year’s most popular tourism trends.

This mindful approach encourages the choosing of destinations in which travellers can disconnect from the wider world and surround themselves with natural quiet, whether that is at a silent meditation retreat or in a cabin in the woods far from any mobile phone tower. Or on Asahan.

It does not take long before my heart rate slows and the tension in my weary shoulders eases as I relax among the mature trees and vibrant blooms of bougainvillea in the garden of the Pearl Beach Resort, on the east coast of the island.

As I sink into a hammock with a book, all I hear is the breeze rustling through the trees, the gentle lapping of waves and melodic birdsong. Spending time horizontally is the preferred way to go here, but Gili Asahan offers plenty of activities.

The island is home to a vibrant and healthy reef. It is easy to snorkel out from the shore and

the shallow, clear waters are teeming with colourful coral, tropical fish, turtles, starfish and seahorses.

The owners of the Pearl Beach Resort have spent eight years planting, restoring and maintaining the reef’s corals.

They are helped in their work by the fact Lombok lies within the Indonesian section of the Coral Triangle, an area that benefits from a range of factors that protect against bleaching events such as those which are taking a toll on reefs around the world.

Crucially, currents and the through-flow of water keep ocean temperatures down.

This part of the Lombok coast is dotted with small islands surrounded by reefs.

A popular pastime is to sail between the likes of tiny, uninhabited Gili Goleg and Gili Rengit, as well as the larger Gili Gede.

Hotels can organise boat hire for their guests, who then spend the day swimming and sunbathing on powdery white sands, or snorkelling and scuba diving at Sekotong Bay’s beauty spots.

Depending on the time of year, they could encounter mola-mola

(ocean sunfish, most common in the dry season from June to October) alongside rays (October to June) and schooling tuna.

If you do not fancy going far, head out in a smaller boat.

I take a leisurely paddle in a kayak around Asahan, stopping at secluded coves along the way, and meet only cows and goats grazing in the shade.

Late afternoon, when the temperature is cooler and the light softer, is the ideal time to stroll around the island. Dirt tracks cross coconut groves, rise over headlands and pass one empty stretch of sand after another.

Gili Asahan’s hill viewpoint is the best seat in the house for sunset. Here there are no large, garish letters screaming out the name of the place and no frame sculptures designed to appeal to Instagrammers – elements that have become hard to avoid at other tourist destinations across Indonesia.

As the sun slips behind Bali’s Mount Agung, all I can hear are chirping crickets, distant waves and the faint call to prayer drifting on the wind from the island’s single mosque.

HEALTH

NEW HOPE FOR KIDNEY CANCER SUFFERERS

Immunotherapy is helping mother-of-two Niki Ridge manage the disease after learning it had spread to multiple sites in her body

Anthea Rowan
life@scmp.com

When Niki Ridge started having night sweats and a cough, she saw her doctor, thinking the sweats might be related to the hormone replacement therapy she was having for menopause. Her doctor agreed, but sent her for a chest X-ray to explore the cough.

When it showed tumours in her lungs, she had a CAT scan. Six days later, she learned she had suspected kidney cancer in the form of a 10cm mass, and several tumours on her ribs and spine.

“Kidney cancer can be a bit of a bugger,” says Ridge, a 57-year-old mother of two teenage boys living in Britain. “It’s often found incidentally, [during] other medical investigations.”

She pinpoints the big problem with kidney cancer: “Symptoms are usually associated with advanced disease.”

Kidney cancer is also referred to as renal cancer. About 80 per cent of kidney cancers are renal cell cancers that start in cells in one of the kidneys’ nephrons, that filter the blood and make urine.

Early kidney cancers are generally asymptomatic, says Dr Ngo Chang-chung, a specialist in urology at Chinese University Medical Centre.

“Many are discovered during ultrasound scans for routine check-ups or through CAT scans done as investigations for other complaints,” he says.

Patients who have symptoms usually have poorer outcomes, since symptoms do not usually occur until the disease is advanced. These may include kidney pain, hematuria (blood in the urine) and weight loss.

Lower back pain, tiredness, or a low-grade fever and sweating have also been cited as symptoms – all easily dismissed as signs of something else.

CAT scans of the abdomen and kidneys with contrast, like the one Ridge had, is the gold standard for kidney cancer diagnosis and treatment planning, Ngo says.

Kidney cancer is one of the most common cancers in the United States, with more than 81,000 new diagnoses in 2023. A report published in February this year found that the disease is becoming more prevalent worldwide, with an estimated 400,000 new cases annually.

In Britain, rates have risen by 47 per cent over the past decade. Part of this rise can be attributed to an ageing population – according to the UK’s National Health Service, kidney cancer is most common in the over-60s. But obesity, which is also on the rise, is another suspect cause.

On a more hopeful note, advances in testing and treatment mean kidney cancer is much more treatable than it once was.

Surgical removal of the tumour remains the most effective means, Ngo says. The procedure has been fine-tuned – now aided by robotics – so that as much of the kidney as possible is preserved.

Kidney transplant has no part in the treatment of kidney cancer, he says; the goal is to save as much healthy kidney as possible.

Ablation is another treatment

option: using radiology to guide them, doctors stick needles into the tumour to either freeze it or microwave it. This kills the tumour while preserving the kidney.

In Ridge’s case, because the cancer had already spread to multiple sites in her body, surgery was not an option. She and her consultant agreed on immunotherapy as the way forward. This treatment uses a person’s own immune system to fight cancer. It can change how the immune system works so it can find and attack cancer cells.

Some people respond well to immunotherapy, some do not, and some even have a complete response, Ridge’s doctor told her.

“Luckily, the side effects haven’t been too bad for me,” she says of her first four treatments.

“This can be tough and quite a few people don’t get through all four, but I was fine. My digestion will never be the same, and my thyroid and adrenals have been affected,” she says – the adrenal



“ I had no idea that you could live with an advanced cancer, and be able to live well

NIKI RIDGE

glands are on the top of both kidneys and produce hormones that help regulate metabolism, the immune system, blood pressure, response to stress and other functions – “but that’s manageable.”

Understandably, she worried the immunotherapy had stopped working when the cancer spread to her breast – a 5cm tumour – and then a 3cm tumour was found in her brain.

The decision was made to leave the breast tumour untouched and for immunotherapy to continue uninterrupted. Within six months, the breast tumour had vanished. The tumour in Ridge’s brain was removed surgically and she was ready to go home 48 hours later.

Ridge describes her past year as “stable” – with no disease progression.

While her life had felt like it was on hold for a bit, Ridge, who recently started cancer support group Swindon Cancer Connect on Facebook, has plans this year.

“I’ve got a couple of girlie trips to Spain soon, and we’re planning a family trip to Iceland in July.”

She will have treatments every four weeks, “for as long as possible”.

“I had no idea that people like me existed, that you could live with an advanced cancer, and be able to live well,” she says.



Niki Ridge shares her treatment progress – and her light-hearted reaction to it – on her Instagram account. Photos: Instagram

FILM

Kurosawa epic still packs a punch 70 years on

Associated Press

Akira Kurosawa’s film *Seven Samurai* is celebrating its 70th anniversary this year. But despite its age, the vitality and fleet-footed movement of Kurosawa’s epic is still breathtaking.

To watch it again is to be swept along, all over again, by its flowing action and breadth of vision.

Seven Samurai moves just as swiftly, as Kambei Shimada (Takashi Shimura), the noble samurai leader of the seven, sprints this way and that in the climactic battle, the film flying through rice fields and down wooded pathways.

Kurosawa’s camera does not anticipate where the action is running so much as chase headlong after it.

For many of its admirers, *Seven Samurai* has likewise been a kind of pursuit. It is not that Kurosawa’s film is so elusive – it is a fairly straightforward tale that states its meaning plainly. Its mystery is more the kind reserved for a grand monument whose existence seems as unfathomable as it is undeniable.

The film, a 207-minute epic

about a 16th-century farm community that turns to a band of samurai to defend itself from bandits, has seemed to always be here. It is about as lodged in film canon as is possible.

Any beginner list for world cinema probably includes it. In British magazine Sight and Sound’s decennial Greatest Films of All Time poll of critics and filmmakers, it has slid slightly but not much.

In 2022, it ranked No 20, fittingly alongside *Apocalypse Now*, whose director, Francis Ford Coppola, is one of Kurosawa’s most devoted acolytes.

Coppola and his contemporaries, including Martin Scorsese and George Lucas, worshipped Kurosawa. Scorsese once described “the shock of that level of mastery” when he encountered Kurosawa’s film in the 1950s.

Later generations of filmmakers have had similar reactions. Alexander Payne called *Seven Samurai* a thunderbolt that changed his life. After seeing it as a young man, he said to himself: “I will never climb a mountain that high but I want to be on that mountain.”

Affection, of course, is not

universal for *Seven Samurai*. Kurosawa’s appeal in the West has always been in part because he, himself, was steeped in Hollywood genre films.

The director, who made *Seven Samurai* after the masterworks *Rashomon* (1950) and *Ikiru* (1952), was influenced by John Ford’s films.

Westerns, in turn, took after Kurosawa’s masterpiece, starting with the 1960 John Sturges remake *The Magnificent Seven*, a film that took the American title from the initial United States release of *Seven Samurai*, for which Japanese production and distribution firm Toho Studios cut 50 minutes.

The enduring influence of *Seven Samurai* can be seen everywhere from the sideways wipe transitions of *Star Wars* to Pixar’s *A Bug’s Life*. Given how many films since have taken more superficial approaches to its band-of-warriors-assemble narrative, a pessimistic view could lament it as a forerunner to today’s spectacle-first big-budget films.

Shot in 148 days spread out over a year, *Seven Samurai* was at that time the most expensive



A still from Akira Kurosawa’s 1954 masterpiece *Seven Samurai*.

Japanese film ever made, and one of the most popular domestically.

But *Seven Samurai* should not have to pay for its paler imitations. Watching Kurosawa’s masterpiece again, it is startling just how much it remains in a class by itself.

One could point to particular elements – the choreography, the rain, the actor Toshiro Mifune – but it goes deeper than the vast sum of its many parts.

When Kurosawa decided to make what would be his first samurai film, Japan was emerging from post-war American occupation. The samurai genre had gone dormant,

and *Seven Samurai* would help re-establish it.

But Kurosawa’s film, which was written by him with Shinobu Hashimoto and Hideo Oguni after a long period of research, juggles themes of individualism and sacrifice for the common good that resonated in post-war Japan.

Seven Samurai is closer to film myth than local legend. Its ultimate battle is not between the samurai-assisted villagers and the bandits but lies in the tension between the samurai and the villagers, who hide their women from the hired warriors and who, in the end, celebrate a victory different than that of the samurai.

“In the end, we lost this battle, too,” a surviving samurai says.

Seven Samurai is less about a battle of good versus evil than it is a timeless soldier truth. The samurai do not, as the villagers do, return to normal life.

And for those that perish face down in the mud – moments that Kurosawa pauses to linger on, and a perspective Michael Mann would later adopt for the deaths in *Heat* – destiny is particularly cruel.

In this eternally kinetic film, its moments of stillness are often the most profound.

ARTS & CULTURE

EXHIBITION



Desire and discretion

A visit by openly gay actor and podcaster Russell Tovey, and the opening of a show of David Hockney’s works on paper, is a chance to reflect on queer culture on the mainland

Cheung Hok-hang
life@scmp.com

It is June 18 and the start of the monsoon season in Shanghai. I find myself crammed inside a taxi crawling through traffic from the Pudong district to trendy Anfu Road. I glance at my fellow passenger on my right: the British film star and art podcast host Russell Tovey. This is not your everyday cab ride.

I am crackling with excitement as I prepare to take him along with a few friends on an art-hopping adventure through Shanghai. It is Tovey’s first time on the mainland – he visited Hong Kong 20 years ago – and I decided to give him a tour of the vibrant local art scene.

The actor, who is gay and out, first came to fame 20 years ago as a star in the original cast of both the stage and film versions of Alan Bennett’s *The History Boys*.

In China he has garnered a loyal following, especially through his portrayal of a werewolf in the BBC series *Being Human* from 2008-12. In Mandarin, he is affectionately known as Xiaolang (Little Wolf).

Off-screen, the 42-year-old art lover is co-host of a popular weekly podcast called Talk Art together with gallerist Robert Diament, which features interviews with artists and celebrity



Russell Tovey during his recent visit to Shanghai.

“It’s very clean and futuristic,” he says of his first impression of Pudong, as we are stuck in traffic.

A few hours earlier, Tovey was at the opening of “David Hockney: Paper Trails”, an exhibition he co-curated at the Shanghai Modern Art Museum (MAM).

The exhibition is one of the most comprehensive surveys of the gay British artist’s works on paper ever assembled.

As Shai Baitel, artistic director of MAM, explains, this medium is “central to Hockney’s practice”, allowing him to experiment and develop ideas before translating them into larger works.

While the sheer volume and breadth of the more than 100 pieces on display is a compelling reason to visit, a deeper significance lies beneath the surface.

Here, the combination of a world-famous queer artist, a celebrity queer curator and the exhibition’s timing during Pride Month is particularly significant in a city where queer identity and queer art remain largely hidden.

Hockney came of age when homosexuality was still criminalised in England. Despite societal restrictions, he desired to live openly as a gay man. His art became a powerful tool for self-expression, protesting against the restrictive social climate.

CHARLES REN, CONSULTANT

collectors such as Elton John and the Pet Shop Boys.

“Generally, his portraits are about love that we can all connect to,” Tovey says.

Tovey has been a champion of LGBTQ representation in popular media since the start of his career. From the HBO series *Looking*, which offered a nuanced portrayal of gay life in San Francisco, to *The Pass*, where he played a closeted footballer, his authentic portrayals have empowered and delighted many queer viewers, including in China.

As our cab crawls through the former French Concession, Tovey’s curiosity turns towards the city’s LGBTQ art scene. My friend, Shanghai art writer and fellow Post contributor Lisa Movius, is able to fill him in.

Movius describes the raucous closing party of Shanghai lesbian bar Roxie just two nights prior – the latest blow in a shrinking of gay public spaces in China.

“It stems more from growing official discomfort with independent, grass-roots communities than conservative sexual mores,” Movius says.

“The Shanghai art scene is very gay – but carefully so,” she tells Tovey. “Shanghai’s glitz is a gay magnet for the rest of China, as

well as a respite from Beijing’s dominant cis-heteronormative machismo. Many artists plus museum, gallery and art fair owners, directors and staff here are openly but quietly queer.”

Some reflect that in their projects, while others keep their personal identities more private.

“Publicly, most China exhibitions ‘straightwash’ LGBTQ artists, often far more than they actually need to. A few brave venues,” which Movius says are not safe to openly identify, “proactively include queer artists

Publicly, most China exhibitions ‘straightwash’ LGBTQ artists

LISA MOVIOUS, SHANGHAI ART WRITER

and content and manage to push into the censorship grey area with subtle winks of meaning and workarounds, like different local and overseas press releases. There is a lot happening here, but you have to know where to look.”

At last, we reach our destination. The sky is darkening, yet Anfu Road is as vibrant as ever.

The gay community in Shanghai knows when to be subtle and when to scream. While there is no public Pride celebration in Shanghai this June, the opening reception of the

Hockney show soon turns into a de facto Pride party.

Charles Ren, a consultant and a young patron of UCCA Centre for Contemporary Art, says at the party that the artist’s biography in China often omits Hockney’s involvement in the Aids crisis and details about his own sexuality.

He says he hopes Tovey curating the show will help attract a larger audience and promote discussion and perhaps more understanding in a city where there is little chance to do so publicly.

As a long-time fan of Tovey since his university days, he shows me a photograph taken with the actor outside a Broadway theatre in New York in 2013.

Ren says both Hockney and Tovey profoundly influenced him as he navigated his own identity: “Their courage in advocating for the LGBTQ community during less-accepting times paved the way for greater acceptance today.”

Tovey, who tells me he never expected to be that well-received in China, says he is glad to be able to use his influence to help people through his work and art.

“The more people that tell you, ‘Hey this is for you, you can enjoy this as much as I enjoy it,’ that’s a brilliant message [that can help people] find the people who are out, talking about their lives and showing you what it is to live authentically, so you can find inspirational bravery from them.”

“David Hockney: Paper Trails”, Modern Art Museum, Pudong New Area, Shanghai. Until Sept 10

EVENTS

Inaugural festival aims to inspire the next generation of HK artists

Kylie Knott
kylie.knott@scmp.com

Taylor Swift is never far from the media spotlight as the US pop star continues her world tour that kicked off in March 2023 and ends in December this year.

The Eras Tour has sent Swifties – the term for her army of followers – into hysterics at stadiums from Melbourne to Madrid. Sadly, not in Hong Kong; Japan and Singapore were the only Asian countries included in the itinerary.

Those fans with lingering disappointment can shake it off at a “Swifties Dance Workshop” at Hong Kong’s Fringe Club on July 20, where local dance and yoga teacher Desiree Hay will share choreography inspired by the star’s popular tunes.

The workshop is part of the inaugural FringeYouth Festival at The Fringe Club in Central from July 16 to 21, the first time the heritage arts venue has hosted a youth-driven arts and culture festival.

It boasts an impressive programme, from theatre, dance and puppetry to music, visual arts, crafts, storytelling and creative writing.

“It’s a vibrant programme that celebrates the creativity and talent of young artists by giving them a platform for their voices to be heard – and a place where friendships can be formed,” says festival co-organiser Wendy Wu, whose arts education company, Creative Collab, is holding musical theatre workshops as part of the programme.

Targeting audiences up to age 25, the festival has something for everyone, Wu says.

Harbour Secrets, a murder-mystery specialist, has aspiring sleuths covered with “Much Ado About Murder”, a whodunnit that starts with the discovery of an unknown Shakespearean work and ends in a killing.

For the younger ones, Harbour Secrets has joined creative forces with “edutainment” company FezEd to host a detective mystery loosely based on a real event: the

theft of the *Mona Lisa* from the Louvre Museum in Paris, on August 21, 1911.

Vincenzo Peruggia, a museum employee, stole the famous Leonardo da Vinci painting in one of the most brazen heists in art history. It was recovered two years later when Peruggia tried to sell it to an antiques dealer in Florence.

“The game takes place 100 years ago and is set in Paris, but we’re not repeating the whole story of the theft – we have just been inspired by it,” says Harbour Secrets’ Polina D’Aguiar. “Kids become investigators who interrogate suspects, solve puzzles and find evidence to catch the criminal and save the masterpiece. Essentially, they will be living their Sherlock Holmes dream.”

The festival is about more than just fun.

“These interactive and immersive games keep kids’ attention and help nurture critical thinking, communication and creativity,” D’Aguiar says.

“It is not a passive experience but a performance where they are actively shaping the story, they are

the moving elements ... this is important.”

Budding writers can learn about the art of storytelling through workshops hosted by Hong Kong author Ritu Hemnani. In one, “Verse and Voice: Empowering the Written Word”, Hemnani will use her recently released novel, *Lion of the Sky*, as the basis for a discussion on how language evokes emotions.

“Verse and Voice is about empowering kids to speak from their own memories and their own worlds,” Hemnani says.

“Sharing stories fosters imagination and bridges connections.”

Six Cat Studios, an arts studio with music and media at its core, will host interactive sessions where participants not only write and illustrate their own stories but get a glimpse into the publishing process.

BallroomBees, founded by

Katya Virshilas – a champion dancer who high-stepped her way into British living rooms in 2009 on the TV reality show *Strictly Come Dancing* – will host classes for lovers of ballroom.

Drummer Satur Tiamson will share secrets on how to master the sticks, while music education company YRock will give lessons for guitar, drums and bass. Armed with their new skills, participants then get to rock out live on stage.

On the classical front, singer Kari Ding will deliver a deeply personal performance, including operas by Mozart and Massenet. It will not be just a showcase of his voice but his journey as a countertenor, a male singer who uses a falsetto voice to sing high notes like a female contralto or mezzo-soprano. It is considered the rarest of all voice types.

Other workshops will focus on activities from crocheting to Djing.

Yogis, too, are looked after. As well as dance classes, Hay will host Animal Yoga workshops where participants learn yoga poses inspired by the animal kingdom.

“The sequence is designed to improve strength, flexibility and mindfulness while allowing participants to express themselves through their favourite animals,” she says.

Wu says it is exciting to be part of the first festival that will, in the long term, benefit the arts scene.

“It is all about inspiring and empowering the next generation of artists.”



Creative Collab will host an immersive musical theatre workshop; and entertainment agency Harbour Secrets is planning one of its popular murder-mystery events. Photos: FringeYouth Festival, Harbour Secrets



DIVERSIONS

The Best of Calvin and Hobbes

by Bill Watterson



Non-Sequitur

by Wiley Miller



Doonesbury Flashback

by Garry Trudeau



Pooch Cafe

by Paul Gilligan



Bridge

West dealer. East-West vulnerable. NORTH ♠KJ4 ♥742 ♦A10852 ♣AQ WEST ♠632 ♥10653 ♦K6 ♣J974 EAST ♠7 ♥KQJ ♦QJ94 ♣K8632 SOUTH ♠AQ10985 ♥A98 ♦73 ♣105

The bidding: West North East South Pass 1♣ Pass 1♣ Pass 2♣ Pass 4♣ Opening lead: four of clubs. Assume you're declarer at four spades and West leads a club. How would you play the hand? If you finesse the queen of clubs, which seems the natural thing to do, East wins with the king and shifts to the king of hearts, forcing out your ace. This leaves you in bad shape, and you eventually go down one, losing two hearts, a diamond and a club.

You could dismiss the result by attributing it to bad luck — after all, West could have had the king of clubs. But if you study the situation objectively, you should conclude that the club finesse is the wrong play. This is because you have a much better chance to make the contract by playing the ace of clubs at trick one and a low diamond at trick two! In the actual deal, you'd eventually wind up with 10 tricks.

The best the enemy could do would be to win the diamond, cash the king of clubs and shift to a heart. You win, lead a diamond to the ace, ruff a diamond high, play the A-K of trump and ruff another diamond high. After leading a trump to the jack, you discard a heart on the established 10 of diamonds to make your game.

By playing this way, you will make the contract if the trumps are divided 2-2 or 3-1 (90 per cent) and the diamonds are divided 3-3 or 4-2 (84 per cent). These divisions occur much more often than those where West is dealt the king of clubs (50 per cent), so it is clear that the club finesse should not be risked.

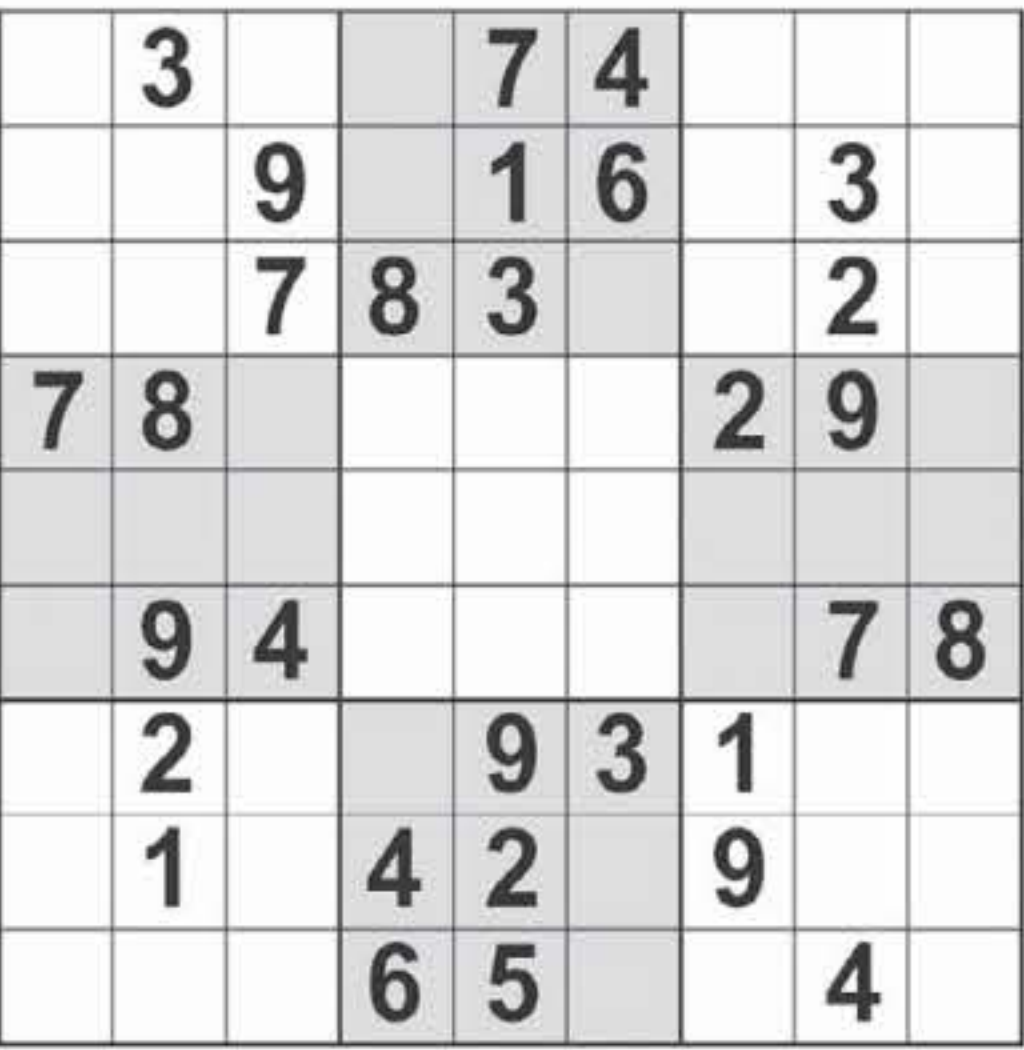
Observe also that you must lead a low diamond from dummy at trick two, not the ace. If you play the ace first, you'll wind up down one. If you don't believe it, just try it and see what happens.

Steve Becker

ONLINE

For details about local bridge events, go to the HK Contract Bridge Association website hkcba.org

Sudoku



Complete the grid so that each row, column and 3x3 box contains every digit from 1 to 9, inclusive. Difficulty: 3/5

Yesterday's solution:

3	7	8	6	5	9	1	2	4
9	4	5	1	8	2	3	7	6
6	2	1	7	3	4	5	8	9
2	9	6	4	7	5	8	3	1
5	1	7	3	9	8	4	6	2
8	3	4	2	6	1	7	9	5
7	5	3	9	1	6	2	4	8
4	8	9	5	2	3	6	1	7
1	6	2	8	4	7	9	5	3

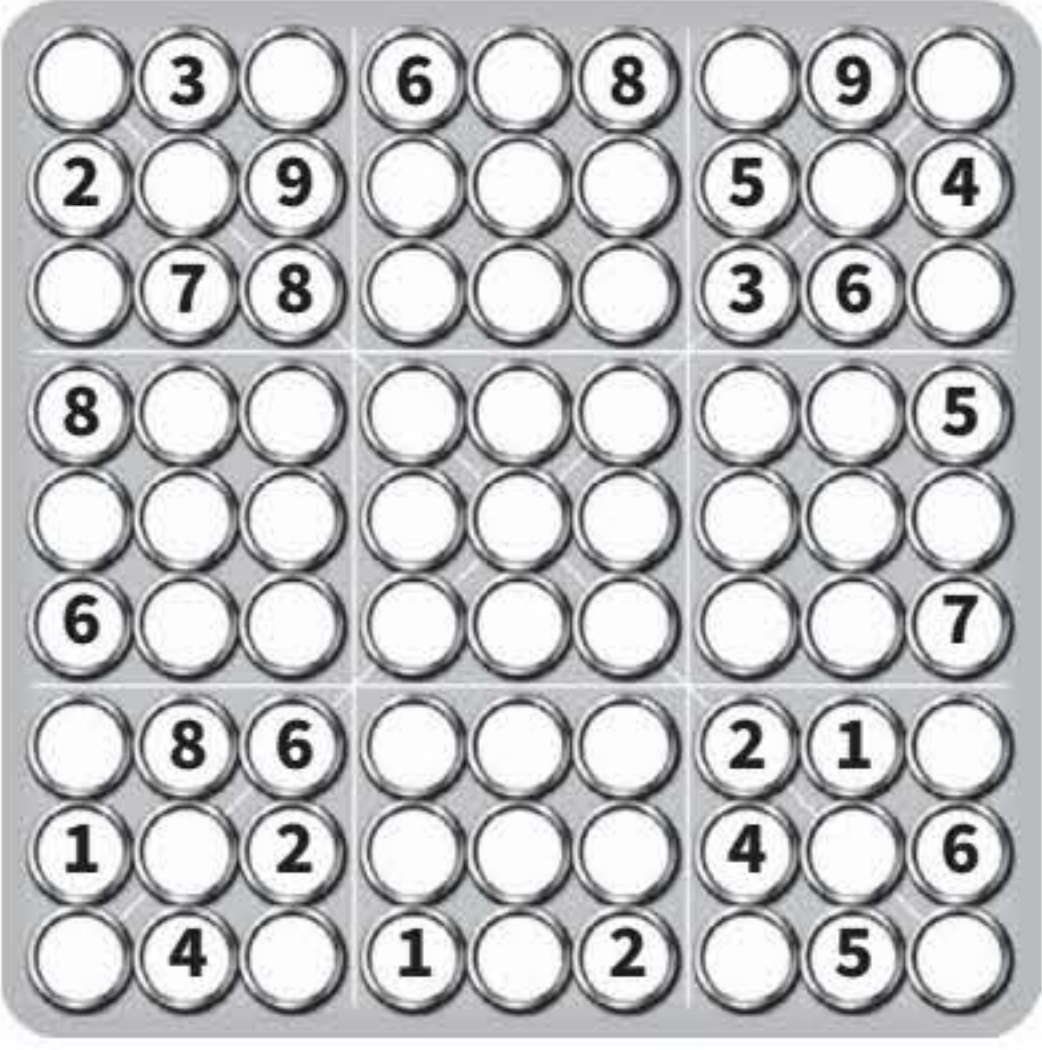
Target

How many words of four letters or more can you make from the letters shown here? In making a word, each letter may be used once only. Each must contain the centre letter and there must be at least one nine-letter word. No plurals ending with 's'. Reference: Collins Concise English Dictionary

Today's target: 24 words good; 37 words very good; 51 words excellent.

See solution tomorrow.

Kokonotsu Supersudoku



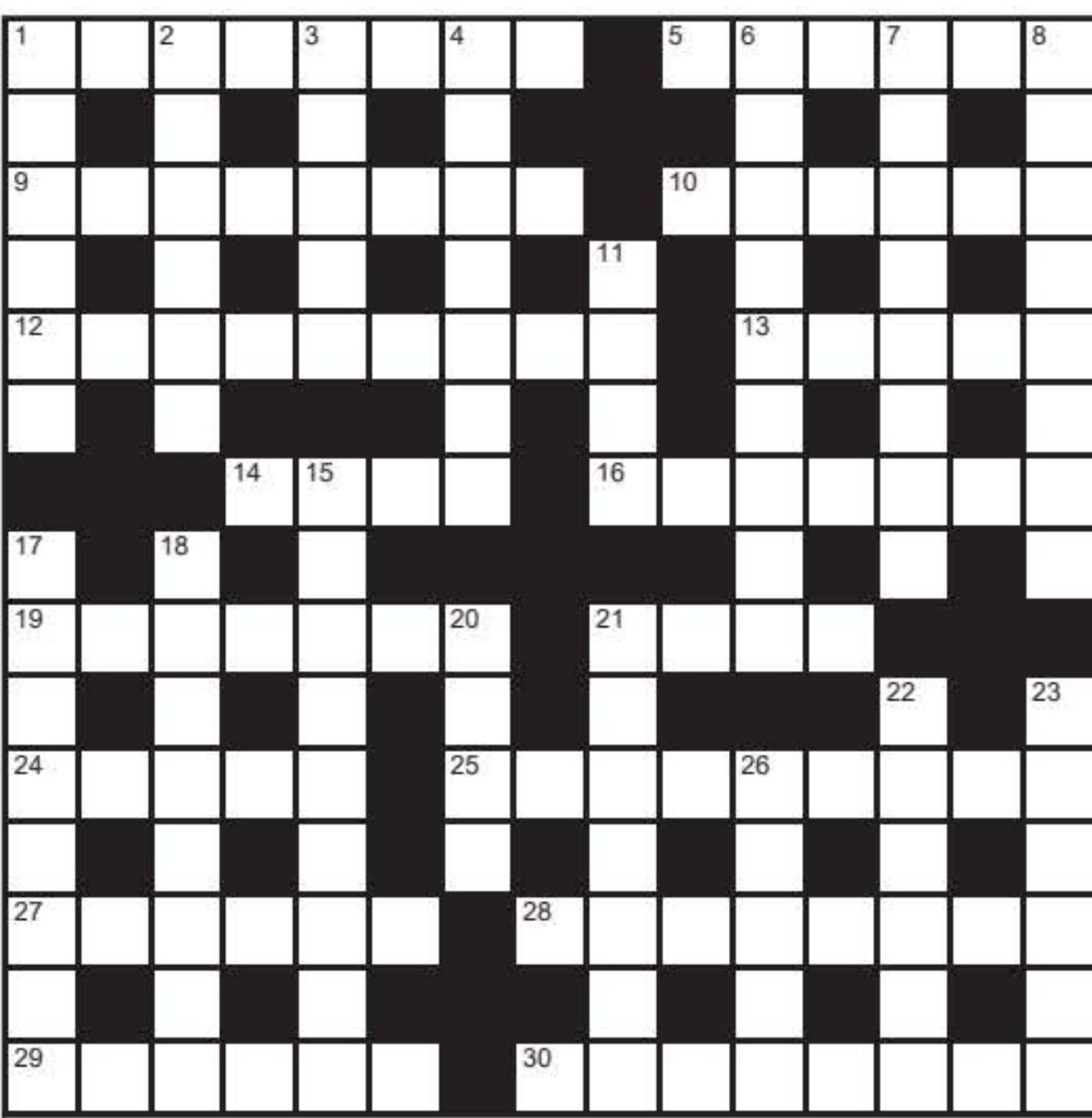
Complete the grid so that each row, column and 3x3 box and the two centre diagonal lines contain every digit from 1 to 9, inclusive. Difficulty: 2/5

Yesterday's solution:

2	4	5	3	6	7	8	1	9
3	8	6	1	9	2	5	7	4
1	9	7	5	8	4	6	2	3
7	6	3	9	5	1	4	8	2
9	5	2	6	4	8	7	3	1
8	1	4	2	7	3	9	6	5
6	2	8	4	3	5	1	9	7
4	3	9	7	1	6	2	5	8
5	7	1	8	2	9	3	4	6

Yesterday's solution: emir, epos, impose, improve, improves, IMPROVISE, isomer, mire, mise, miser, mope, more, morse, move, mover, movie, osier, over, perm, peso, pier, poem, poise, pore, pose, poser, prides, prime, primes, prise, proem, promise, prose, prove, proves, revs, rime, ripe, rise, rive, rives, rope, ropes, rose, roves, simper, sire, some, sore, sperm, spire, spore, verism, verso, vies, viper

Daily Crossword



Across

- 1 Left for part of Egypt, we hear (4,4)
- 5 A badge to resemble medals partly (6)
- 9 The last thing those taking exams should do (8)
- 10 Curiously obstinate? (6)
- 12 Made progress in the film industry? (9)
- 13 The track is inferior beyond the end of the pass (5)
- 14 Turn for a breath of air (4)
- 16 Small article produced by an erratic knitter (7)
- 19 Still a little wet — like an opinion not voiced? (7)
- 21 Man with prospects? (4)
- 24 Should be an expression of disgust in the Old Testament (5)
- 25 The genuine article could be large and thin (4,5)
- 27 Blue Viennese flower (6)
- 28 It's obvious father is torn two ways (8)
- 29 A wave depresser (6)

- 30 Main reason why skippers may have to toss? (5,3)

Down

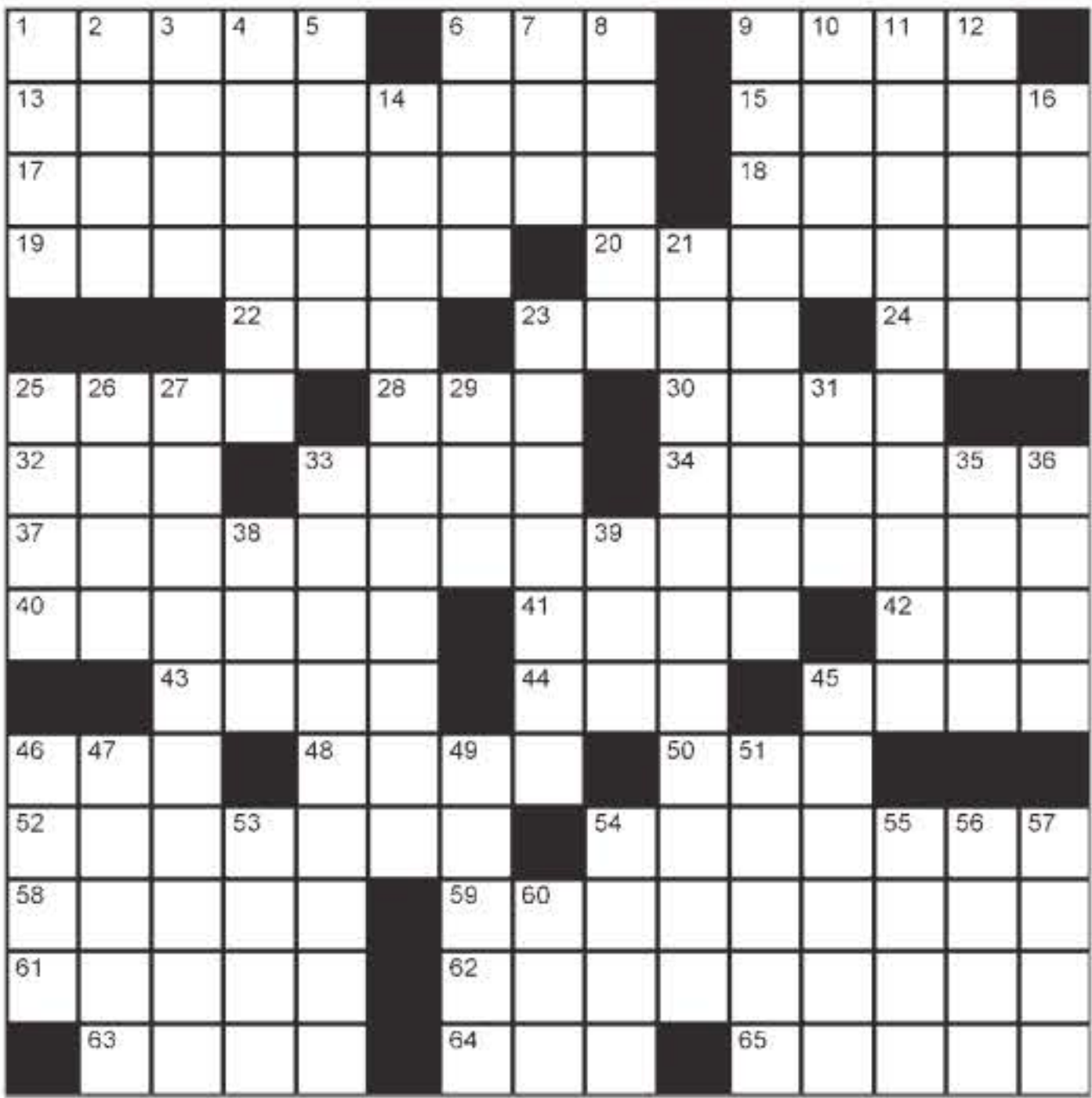
- 1 The show is missing from an idyllic location (6)
- 2 Always back about six to get renewed vigour (6)
- 3 In the ropeworks is a long fibre (5)
- 4 Rejected from the team — collapsed (7)
- 6 Night-light? That's something quite unreal (9)
- 7 Records kept at the saw mills? (8)
- 8 Calm down the pace at which fashion changes! (8)
- 11 It may be seen under an old copper mine entrance (4)
- 15 Tribal ire makes peevish (9)
- 17 Command to underwater craft? (8)
- 18 The sort of land to be found on the border? (8)
- 20 Beetles will make places to get in, we hear (4)
- 21 The head cleaner! (7)

- 22 Ships that keep to specific latitudes? (6)
- 23 Name picked from bag at half-time (6)
- 26 Archers may fire or speak with it (5)

Yesterday's solution:



Universal Crossword



Across

- 1 Ease, as fears
- 6 Irk
- 9 Donated
- 13 "I've heard enough"
- 15 Uncorks, maybe
- 17 Imaginary instrument you might pick to play
- 18 Bring about
- 19 Sweet, nutty confection
- 20 How you might eat a bug
- 22 Conclude
- 23 Beasts of burden
- 24 "Stat!"
- 25 Calves grow into them
- 28 "Love on the Brain" singer, to fans
- 30 Bend out of shape
- 32 Q&A on Reddit
- 33 Minute parts, briefly
- 34 Slimy creatures
- 37 Education activist and Nobel laureate who said, "We cannot all succeed when half of us are held back"
- 40 Stamper's need
- 41 "Darn!"
- 42 Zag's partner
- 43 Control, as frizzy hair
- 44 "V for Vendetta" actor Stephen
- 45 Hiking trail
- 46 German for "Darn!"
- 48 Speak up?
- 50 Airport safety org.
- 52 Bruce Springsteen, to fans

- 54 Minjiang, vis-a-vis Sichuanese
- 58 Mother, in Mexico
- 59 Cafe beverage made with a light purple root vegetable
- 61 Oatmeal (dark beer variety)
- 62 "Up to you"
- 63 Some NCOs
- 64 Best Solo Performance (Grammy category)
- 65 Shouts

Down

- 1 "Stat!"
- 2 Villain's den
- 3 Harp-shaped constellation
- 4 Acute or obtuse measurements
- 5 "Wanna join?"
- 6 Election Day action
- 7 Time span
- 8 Copy ... or a copier company
- 9 Totally flip out
- 10 Copied
- 11 Pie with plant-based pepperoni, perhaps
- 12 January, in Spanish
- 14 They might know what you're thinking
- 16 Nihari or ragout
- 21 Current events broadcaster
- 23 "Oops, my bad!"
- 25 Top with spaghetti straps, informally
- 26 Neighbour of Yemen

- 27 Yo-yo trick in which the string is a "leash"
- 29 Like sleet
- 31 UK military flyers
- 33 Some spoken word performers
- 35 Cafe au (coffee and milk)
- 36 (Face Exhaling emoji)
- 38 Org. concerned with mental health
- 39 Burj Khalifa's land: Abbr.
- 45 Royal residence
- 46 \$\$\$ dispensers
- 47 Casual talks
- 49 Filled with activity
- 51 Like someone who's annoyed and feeling bitter
- 53 Very dry, as champagne
- 54 Beat (climactic moment in an electronic dance song)
- 55 And others: Abbr.
- 56 Lower-left PC key
- 57 Golf ball supports
- 60 Civil rights law of 1990, for short

Yesterday's solution:



SPORT

Irish injury list grows as Durban test looms

Hooker Sheehan heads home while halfback Casey in doubt to take on Boks on Saturday

Reuters in Johannesburg

Ireland hooker Dan Sheehan has suffered a serious knee injury and is heading home from the tour of South Africa while scrum-half Craig Casey is unlikely to play in Saturday's second test in Durban, according to Irish media reports.

Sheehan, 25, suffered a suspected ACL tear during Saturday's first test in Pretoria, which South Africa won 27-20, and faces a long lay-off that will rule him out of autumn internationals against Australia and New Zealand in Dublin.

Casey was carried off with concussion in the second half after a lengthy stoppage to the game while he received treatment on the pitch.

Centre Robbie Henshaw went off at half-time with suspected concussion and prop Andrew Porter sustained a cut to his hand. Centre Bundee Aki (shoulder) and James Lowe (thigh) are also doubtful for the second test as is full back Jamie Osborne who had a groin issue.

Ireland coach Andy Farrell will name his team on Thursday.

Meanwhile, All Blacks scrum-half T.J. Perenara will miss this weekend's second test against England in Auckland because of an injury sustained in the series opener last Saturday.

Perenara, playing his first test since 2022, suffered the blow when his skipper Scott Barrett fell on his leg at a ruck and the 32-year-old had to be replaced at half-time.

Noah Hotham has been called up to replace Perenara in Scott Robertson's squad, the uncapped 21-year-old Canterbury Crusaders scrum-half joining fellow halfbacks Finlay Christie and Cortez Ratima, who has also yet to play a test.

Christie looks the most likely starter on Saturday as the hosts aim to retain an unbeaten record at Eden Park that goes back to 1994.

England will also be forced to make a change for the match after experienced loose head prop Joe Marler was ruled out of the clash.

Fin Baxter, who came off the bench to make his debut in place of Marler in Dunedin, or Bevan Rodd are likely to start in Auckland as uncapped squad replacement Emmanuel Iyogun will not arrive in New Zealand until Tuesday.

Perenara has not yet been ruled out of New Zealand's third test in the international window against Fiji in San Diego on July 19.

"Following scans, we are seeking specialist advice on return to play time frames," the team said in a social media post.

Hamilton on cloud nine



Formula One driver Lewis Hamilton celebrates on the podium after winning the British Grand Prix at Silverstone.

The Mercedes driver's first win since the 2021 season, a drought lasting 56 races, was a record ninth at his home Grand Prix and broke a dam of pent-up emotions as tears flowed after the victory.

Of all the Formula One firsts achieved

by Hamilton on Sunday, and there was quite a list, the sobbing over the radio and crying in the arms of his father Anthony will live long in the memory.

The most successful driver of all time has had plenty of stand-out moments since his sensational debut in 2007, but the long wait for a record-extending 104th career victory was something else.

"I can't stop crying," the 39-year-old said. "There's definitely been days between 2021 and here where I didn't feel like I was good enough or whether I was going to get back to where I am today."

Red Bull's triple world champion Max Verstappen finished 1.4 seconds behind, extending his title lead. McLaren's Lando Norris of Britain was third. Photo: DPA

SWIMMING

FONG ACCUSES BODY OF WASTING YOUNG TALENT

Former Olympian insists officials have a case to answer after excluding promising nine-year-old member of his swim academy from competition

Mike Chan
mike.chan@scmp.com

Celebrity Alex Fong Lik-sun has accused swimming bosses of ignoring some of the city's top young talent because they do not belong to the right clubs.

Fong, a predecessor to Hong Kong's Olympics-bound Siobhan Haughey when he represented the city at the Sydney Games in 2000, took to social media to blast officials he said had blocked a promising nine-year-old from racing in certain events.

Swimming officials said Fong, whose swimming academy has the lowest tier of membership with the local governing body, knew the boy would not be allowed to compete, regardless of ability.

Yesterday, that response brought a stern rebuke from Kenneth Fok Kai-kong, vice-president of the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC).

Fok, who is also a member of the Legislative Council, Hong Kong's lawmaking chamber, said that while each sport association had an element of independence

over who could compete, it had to be "based on the interests of the athletes". There was "room for improvement" in the approach taken by the Hong Kong China Swimming Association, Fok said,

The association should consider a 'way out' for swimmers coming from these ... clubs

ALEX FONG



in his role as a legislative councillor.

"I have expressed concern to the swimming association and requested that the accusations be taken seriously and the incident be properly handled," he added.

Fong said of the youngster, who is a member of the actor and singer's swim academy: "I didn't swim as fast as the boy at his age."

Fong insists the boy was prevented from competing at February's Hong Kong Age Group Short Course Swimming Championships because he did not belong to a top-tier club.

Ronnie Wong Man-chiu, president of the Hong Kong China Swimming Association, denied that accusation and said the governing body could not give "special treatment" to one club outside its system.

"Can [Fong] guarantee the young boy will be good?" he said. "The growth and improvement of a swimmer will not be hampered by missing just one competition, because there are always other competitions available."

The nine-year-old reportedly swam the 100 metres freestyle in one minute and eight seconds earlier this year, a time that would

have placed him in the top six at the championships, which had a qualifying time of 1:13.03 for the boys' 10-and-under category.

Fong's academy is listed as a competition member club, the bottom level of the association's three-tier system. Above that are observer clubs and full members.

The association's rules state that the lowest-ranked clubs are not allowed to take part in certain competitions, including age-group championships.

"I believe all swimmers who meet the standard should have the right to join the championship, let alone the swimmer clocked the standard time in a competition organised by the association," an angry Fong wrote in a lengthy Facebook post.

"I suggest the association should consider a 'way out' for swimmers coming from these swim clubs."

Fong added he had actively sought to discuss the matter with the association "for months" but they had refused to respond.

Fok said as SF&OC vice-president he had arranged a meeting with senior officials from the swimming association this week to "review whether the relevant internal arrangements and regulations of the association are in line with good corporate governance".

FOOTBALL

Fresh signings put spring in the step of Kitchee's coach

Portuguese mentor Edgar Cardoso looks to halt club's recent slide after taking helm last month

Paul McNamara
paul.mcnamara@scmp.com

Edgar Cardoso said the manner of his appointment as Kitchee head coach was "not so easy", but obtaining a senior managerial post had been a "life target".

The 41-year-old Portuguese unofficially took charge late last season, with interim boss Kim Dong-jin relegated to a subsidiary role as Kitchee's campaign nosedived.

Last month, Cardoso was confirmed as the permanent replacement for Kim, who will take charge of the under-22s.

"The team was going through a strange and difficult moment [at the end of 2023-24]. To be honest, we don't know exactly the reasons behind that drop," Cardoso said.

"[The managerial change] was an internal decision, and not so easy for me. I was replacing someone I worked with, and who I cared about a lot. But it was the club's decision, and everyone agreed with it."

Cardoso said his appointment was "perfect timing", as he had obtained his Uefa Pro Licence last month. Armed with the leading European coaching certificate, and a CV that includes coaching jobs with Benfica, Shakhtar Donetsk, and Qatar's under-18 and under-23 sides, Cardoso said he would not be consulting Kim over his new challenge, but said: "He is a very valuable person for me, we have a fantastic relationship, and that will never change."

Cardoso was unable to arrest Kitchee's slide at the back end of last season. However, it would be unfair to judge him on a handful of matches, after inheriting an ageing team that was bloated on past success.

Kitchee's summer recruitment is reflective of owner Ken K. Ng's pledge to put more faith in youth and local talent. Cardoso is expecting more additions "in the near future", with a European-based midfielder and striker set to fly to the club's training camp in Thailand next week.

The six recruits already through the door boast an average age of 25.6, with four of them 26 or younger. Seven thirtysomethings have departed, along with a

handful of others who paid the price for Kitchee tumbling to fourth in the Premier League.

"We are trying to build a younger team, so we now have players with less experience but are more available physically," Cardoso said. "Kitchee has a very clear playing style, and we lost it in the last month [of 2023-24]. After Kim took over in September, we played attractive, solid football. After January, when the Hong Kong team went to the Asian Cup, I don't know what happened."

Ng revealed Kitchee coaches watched more than 30 hours' footage of each man they signed.

"We are picking players who can fit our style," Cardoso said.



You have the natural pressure to win the league, and I live very well with this

EDGAR CARDOSO, KITCHEE HEAD COACH

"We expect quality in possession, and a change of rhythm in the last third."

Cardoso originally joined Kitchee as the academy's director of elite football last September.

He insisted he was not worried by the step-up to the top job, nor the ramifications of failing to regain the title Kitchee surrendered to Lee Man last season.

Cardoso insisted Ng had not ordered him to win the league, but said: "[That demand] is the air we breathe in this club. You have the natural pressure to win the league, and I live very well with this."

"I'm very optimistic Kitchee will go back to playing attractive football."

EURO 2024

France bank on misfiring Mbappe to finally deliver

Agence France-Presse in Munich

France go into tonight's Euro 2024 semi-final showdown against Spain hoping Kylian Mbappe can finally produce a performance worthy of his superstar status at a tournament in which he has struggled for form and fitness.

The match in Munich is a mouthwatering prospect and a huge occasion, in particular for Mbappe in his first major tournament captaining his country and just before he starts a new chapter in his career at Real Madrid.

At 25, Mbappe should be in the prime of his footballing life. But the man who won the World Cup as a teenager and scored a hat-trick in the 2022 final in Qatar, has not been anywhere near his best at the European Championship.

Mbappe joined up with the France squad after a difficult final campaign at Paris Saint-Germain which was marred by a slightly messy divorce from the club as his playing time was reduced.

Already floundering to some extent physically, lacking his usual explosive edge, a broken nose in Les Bleus' opening game at the tournament against Austria has further diminished him.

He has scored just once, from a penalty, at the Euros and it may be no exaggeration to say his performance in Friday's quarter-final against Portugal in Hamburg was his worst in such a big game.

Mbappe ended up being substituted halfway through extra time - he later admitted he was simply exhausted - and so

watched from the sidelines as his teammates won on penalties.

"He might not have been here at all, so we need to look at it in a positive light," coach Didier Deschamps said on Sunday. "Kylian is here, even if he is not at 100 per cent, and I know that has an impact on the opposition who are forced to adapt to him."

Whether Spain are too worried remains to be seen, with Mbappe clearly inhibited by the protective mask he has to wear over his



France's Kylian Mbappe has been struggling for form at Euro 2024.

injured nose. There is little chance of him challenging for a header, and he has indicated that his field of vision is reduced by the mask.

His poor run of form, along with that of vice-captain Antoine Griezmann, helps to explain why France have scored just three times in the five games on their journey to the semi-final - one being Mbappe's penalty against Poland and the other two coming through own goals.

Mbappe may be France's third-top scorer of all time with 48 goals in 83 appearances, but he has just two in his last nine caps.

BADMINTON

Rivals bid to break China's Olympic stranglehold

Reuters in London

Chinese success in Paris is virtually guaranteed with the likes of Chen Yufei leading the charge, but high rankings do not necessarily translate into medals at the Olympics, where the pressure to perform is unlike any other competition.

The Tokyo Games three years ago delivered a series of dramatic upsets, near misses and high emotions - from Guatemalan Kevin Cordón's stunning run to the semi-finals to the early exit of Japanese top seed Kento Momota.

Not one top-ranked player or pair won gold in Tokyo. In fact, in the men's singles and doubles and women's doubles, the favourites did not medal at all.

"China has the potential to win all five medals, but anything can happen at the Olympics," said Charmaine Reid, who competed at the Athens Games in 2004. "It's a different pressure at the Olympic Games for sure," she said.

"I've seen some people go out that have never lost a match over

the years and then, often, you know, lose in the second round."

China swept the board in London in 2012 but countries such as India, Japan, Spain and Denmark started seriously challenging the status quo in Rio, where China won only two golds and a bronze. That was their lowest haul at an Olympics for 20 years but the nation rallied in Tokyo with six medals, including Chen's women's singles gold and Chen Long's men's singles silver.

Since Tokyo, Olympics men's singles gold medallist Viktor Axelsen of Denmark has, as world No 1, shown repeatedly he has the temperament to win on the biggest stage.

Olympic bronze medallist Anthony Sinisuka Ginting from Indonesia and Malaysian shuttler Lee Zii Jia have also shown they can compete with the best, bagging silver and bronze at the 2024 Thomas Cup respectively.

In women's singles, South Korean An Se-young has smashed her way ahead of Chen in the world rankings to become No 1.

In August, An became the first

woman from her country to win singles world championships gold, beating two Olympic champs - Spain's Carolina Marin and Chen - en route to the title.

"She is amazing. She's right in the mix, absolutely," said Yuko Kawasaki, an American former player who now works with USA Badminton.

"Everybody is peaking before Paris - you just don't know what will happen. Indonesia is a country that could possibly win a lot."

Still, China has won 47 medals since badminton became an Olympic sport in 1992 - more than double the combined tally of Indonesia and South Korea, the second and third most successful teams. China was the only country to secure two spots in each of the five categories in Paris - men's and women's singles and doubles as well as mixed doubles.

"China has always looked so good," Kawasaki said. "But sometimes you just need to be in the right place at the right time. It's the Olympics, it's different - all those other tournaments happen year in, year out."



Star Chinese shuttler Chen Yufei raises a finger after taking women's singles gold medal at the Tokyo Olympics three years ago. Photo: Xinhua