

**Presentation by Secretary for Director, Beijing Office
at the Special Meeting of the Finance Committee
on Tuesday, 20 March 2001**

Mr Chairman,

I am glad to attend the Special Finance Committee meeting today. I shall begin with a summary of the Beijing Office's work in the past year and some highlights of our major tasks planned for the coming year. And then I will briefly explain our draft estimates of expenditure for the coming financial year.

Liaison

The primary objective of the Beijing Office is to facilitate the HKSARG's communication and liaison with the Central People's Government (CPG) and local governments. In the past year, the Beijing Office continued to broaden its liaison network with the CPG and other Mainland authorities, in particular with the local governments. Through our liaison work, we exchanged views and information with relevant Mainland authorities on the developments of Hong Kong and the Mainland as well as on issues of mutual concern.

The Beijing Office also closely monitored, and kept the HKSARG informed of, the latest developments in the Mainland. We have through various channels collected information about the Mainland's macroeconomic developments, new legislation and regulations which may affect the investment and operation of Hong Kong businessmen in the Mainland, as well as new policies and measures in various fields. We kept relevant bureaux and departments abreast of such information, which in turn disseminated the information as appropriate.

On HKSARG's instructions, we made enquiries with relevant Mainland authorities, discussed specific issues with them, and took follow-up actions as necessary.

The year 2001 is a critical year to the Mainland. The Tenth Five-year Plan will be implemented and the strategy to develop the western region will propel in full swing. These two factors, coupled with China's accession to the WTO, will bring intensified structural adjustment to the Mainland's economy and the opening of its market at an unprecedented pace. To Hong Kong, this presents both opportunities and challenges. On this point, the Financial Secretary has already made a penetrating analysis in his Budget Speech. In the coming year, the Beijing Office will monitor closely the developments in these areas and collect relevant information for the HKSARG so as to enable Hong Kong to grasp the opportunities and meet the challenges.

In the coming few months, an important task for the Beijing Office is the visit of the HKSAR High-level Delegation to the Western Region of the Mainland in May. To ensure a smooth and fruitful visit, the Beijing Office, in collaboration with concerned parities in Hong Kong, will coordinate the preparatory work in the Mainland. Moreover, we will provide assistance and support for Hong Kong's participation in the Asia-Pacific Economic Cooperation activities in the Mainland this year.

Moreover, countries which have no consular representation in Hong Kong but seeking to strengthen bilateral economic ties with Hong Kong approach the Beijing Office from time to time for exchange of information. We have also made use of these opportunities to brief them on the implementation of the policy of 'One Country, Two Systems' in Hong Kong.

Another duty of the Beijing Office under this Programme is to promote Hong Kong's image in the Mainland and to enhance Mainland residents' understanding of the successful implementation of the 'One Country, Two Systems' principle and of the Basic Law in Hong Kong, as well as HKSAR's developments in various areas. In the past year, we organised large-scale publicity programmes in Tianjin, Hebei and Shaanxi. These activities were highly regarded and well received by the local communities. On the economic front, in particular, we publicised Hong Kong's role in strengthening economic ties between the Mainland and overseas countries and the 'win-win' situation resulting from more cooperation. We facilitated Hong Kong's business and professional sectors to establish contact with the Mainland authorities and enterprises. Furthermore, we also held exhibitions in Beijing and Chengdu. In the coming year, we will continue to launch similar campaigns in collaboration with the Hong Kong Trade Development Council and the Hong Kong Tourist Association.

We have also maintained good working relationship with the Mainland's media. We arranged meet-the-media sessions for visiting senior HKSARG officials to brief the local media on policy matters within their purview. In March, we started to work in association with the China National Radio to produce a weekly radio programme. This programme enables the Mainland residents in southern China, especially the Pearl River Delta area, to know more about Hong Kong's affairs. It also promotes economic, tourism and cultural exchanges.

Last year, we handled over 390 general enquiries and requests for assistance from the public. Under the principle of non-interference with Mainland's affairs, we provided assistance as much as practicable by making referrals and providing information about redress channels.

Immigration Matters

For immigration matters, the Beijing Office processed and referred over 14 000 applications for visas and entry permits. In the past year, we continued to negotiate with 10 embassies in Beijing on visa-free access arrangements. Two of the

countries (Slovak Republic and the Republic of Yemen) have agreed to grant visa-free entry to HKSAR passport holders.

In the past year, the Immigration Section of the Beijing Office handled 168 requests for assistance, including 91 cases involving the detention of Hong Kong residents in the Mainland. The Beijing Office reflected the requests mainly through the liaison network it has built up with the central and local authorities. We also took follow up actions as necessary. Progress has been seen in some of the cases followed up by us, and positive response from the concerned Mainland authorities has been given in some cases.

On the issue of detention, which Hong Kong residents are quite concerned about, the Beijing Office published an information booklet on the Mainland's criminal laws and regulations governing detention or arrests. The purpose was to enhance Hong Kong people's understanding about the Mainland criminal laws, so that they will know how to protect their legitimate interests under these laws and regulations.

Draft Estimates of Expenditure

Beijing Office's draft estimates of expenditure for 2001-02 is \$52.1m, representing an increase of \$3.3m over the 2000-01 revised estimate. The main reasons for the increase include provision required for liaison-related travelling expenses, expenses for normal staff movements and the full-year effect of office rental due to the cessation of a rent-free period.

Conclusion

If Members have any questions concerning our work or estimates of expenditure, I am happy to answer. Thank you.