

**立法會**  
**Legislative Council**

LC Paper No. CB(1)682/05-06

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**Panel on Commerce and Industry**

**Meeting on 17 January 2006**

**Background brief on  
Hong Kong's hosting of the Sixth Ministerial Conference  
of the World Trade Organization**

**Purpose**

This paper summarizes the background of the Sixth Ministerial Conference (MC6) of the World Trade Organization (WTO) held in Hong Kong from 13 to 18 December 2005, as well as the views and concerns expressed by Members on various aspects of the event.

**Background**

2. The WTO was established on 1 January in 1995 to succeed the General Agreement on Tariffs and Trade (GATT). Hong Kong has been a member of WTO (and its predecessor GATT) in its own right since as early as the mid 1980s and has been a staunch supporter of the multilateral trading system. The WTO Agreement provides that a ministerial conference (MC) shall be convened at least once every two years. The MC is the highest authority in the WTO structure and can take decisions on all matters under any multilateral trade agreements. Since its inception in 1995, WTO has held six MCs, including MC6 recently concluded in Hong Kong.

3. On 18 July 2003, the Finance Committee (FC) accepted in principle the estimated financial implications of \$250 to \$300 million (inclusive of staff costs) in order that the Administration could make a formal offer to WTO for hosting MC6. On 21 October 2003, the WTO General Council in Geneva accepted Hong Kong's offer.

4. Thereafter, the Administration submitted a more detailed budget on MC6 and obtained FC's approval on 14 May 2004 to create a new commitment of \$256 million. The main cost components comprise \$225 million for the

provision of venue and facilities, information and communication technology services, office equipment and furniture, conference services, security arrangements, transportation, sponsorship for WTO Secretariat staff and Least Developed WTO members, and hospitality programme, etc., and \$31 million for civil service staff salary and related allowances arising from the establishment of the Ministerial Conference Coordination Office (MCO) in the Trade and Industry Department.

5. To oversee planning and implementation, a Steering Committee chaired by the Permanent Secretary for Commerce and Industry and comprising directorate representatives from the most heavily involved bureaux and departments had been in operation since August 2004. Since July 2005, a High Level Committee to Oversee the Preparation of MC6, chaired by the Chief Secretary for Administration and comprising concerned Principal Officials and Permanent Secretaries, had been in operation to provide advice and high level steer.

### **Issues of concern**

6. Following funding approval by FC on 14 May 2004, the Administration has reported the progress in various aspects of preparatory work to the Panel on Commerce and Industry (CI) on 16 November 2004, 15 February, 15 March, 19 July and 18 October 2005. It has also briefed the Panel on Security on the security arrangements on 3 May and 6 December 2005, as well as the Panel on Transport on the special traffic arrangements for MC6 on 25 November 2005.

### Hosting of MC6

7. The proposed funding of \$256 million was approved by FC on 14 May 2004 by a vote of 27 to three. However, a Member stated his objection and queried the justification for Hong Kong to host MC6. He opined that WTO was subject to criticisms by human rights activists, environmentalists and labour unions for undermining the sustainability of developments under the guise of free trade. Some other Members and the Administration held a different view and stressed that the successful organization of MC6 would enhance Hong Kong's image and profile as a bastion of free trade. It was considered an honour and a responsibility for Hong Kong, being a founding member of WTO, to host the event.

8. When being briefed on the special traffic arrangements during MC6 at the meeting of the Panel on Transport on 25 November 2005, some Members took the opportunity to state their concerns that the Administration had not fully apprised the public of the possible social and economic costs and disruption caused to the community by the hosting of MC6.

### Concerns about security arrangements

9. Members noted that large-scale international events had often served as ready focal points for protesters against such issues as globalization, poverty and war, as evidenced by massive protests during past MCs and the recent G8 meeting held in Scotland in July 2005. They were gravely concerned about the adequacy of the security and contingency arrangements and the possibility of terrorist attacks on Hong Kong during the event period, as well as the Police's capability to deal with protests and possible outbreaks of violence.

10. According to the Administration's information provided to the Panel on Security in December 2005, about 10 000 protesters would stage demonstrations during MC6. While most of these protesters were expected to be peaceful and law-abiding, some might use disruptive or violent methods. According to police intelligence at that time, the public order and public safety threat level for MC6 was "high" while that for a terrorist attack was "moderate". The Administration assured Members on different occasions that it was fully capable of maintaining internal law and order. Members were informed that the Police had set up nine working groups to deal with various enforcement aspects. It had also sent officers abroad to observe the security arrangements adopted by overseas conference hosts.

11. Prior to MC6 and referring to the disorderly scenes at the roundtable forum chaired by the Secretary for Commerce, Industry and Technology on 16 October 2005 and attended by key officials including Mr Pascal LAMY, Director-General of WTO, and non-governmental organizations (NGOs), the CI Panel urged the Administration not to under-estimate the scale of protests and possible violence which might occur during MC6.

### Facilitating demonstrations

12. While acknowledging the importance of upholding law and order, some Members stressed the need to strike a reasonable balance between enforcing security measures on one hand, and respecting the freedom of expression of demonstrators on the other. They urged the Police not to resort to high-handed action lightly and to adopt a tolerant attitude as far as possible when dealing with demonstrations during MC6. The Administration re-affirmed its high regard for freedom of expression and assured Members that the Police had always tried to facilitate lawful and peaceful demonstrations, yet without losing sight of the need to maintain law and order.

13. Members noted that having regard to protesters' wish to be as close to the conference venue at the Hong Kong Convention and Exhibition Centre (HKCEC) as possible, the Police and MCO had identified the Wan Chai Sports Ground (which can accommodate around 7 000 people) and the Wan Chai Public Cargo Working Area at Hung Hing Road (which can hold 4 000 people) as designated public activity areas (DPAAs) for holding demonstrations. In reply to Members as to why the Tamar Site, which is in the vicinity of HKCEC, had

not been designated as a DPAA to facilitate public demonstration activities, the Administration advised that the Tamar Site would be used as the transport hub for some 400 vehicles related to MC6.

#### Traffic measures

14. Members were briefed on the special traffic management arrangements during MC6 at the meeting of the Panel on Transport on 25 November 2005. These measures included the suspension of certain regular ferry services at the Wan Chai Ferry Piers, suspension of bus stops and diversion of some 30 bus routes. A Closed Area designed under the Public Order Ordinance (Cap. 245) would also be set up to cover the conference venue and its environs, including the roads leading to the HKCEC, Wan Chai Ferry Piers and the Tamar Site, as well as the sea area around HKCEC. Concerns were raised about the inconvenience which would arise and the accessibility to the vicinity of HKCEC.

15. The Administration informed Members that it would publicize the traffic and transport arrangements and acquaint the public with such measures well in advance of MC6. The Administration would also encourage companies in the vicinity to adopt flexible working hours and places of work for their employees with a view to relieving the pressure on traffic during the conference period. The Eastern Harbour Crossing and Western Harbour Crossing would also offer concessionary tolls during the period to encourage commuters to use the two Crossings. The Transport Department's Emergency Transport Coordination Centre would deal with traffic problems caused by demonstrations and related activities and implement special arrangements as appropriate in conjunction with the Police.

#### Liaison and consultation

16. The Panels noted that MCO and the Police had engaged in discussion with the Hong Kong People's Alliance on WTO regarding the coordination of protest activities staged by local and overseas NGOs. Members highlighted the need for good communication between the Administration and NGOs and other concern groups, both local and overseas, in order to facilitate their freedom of expression and the conduct of orderly and peaceful demonstrations.

17. Members highlighted the need to make timely announcements so that local residents, visitors and shop owners in the vicinity of HKCEC would be aware of the security and traffic arrangements which might impact on their business and day-to-day activities. The Administration informed Members that MCO and the Police had conducted a number of briefings for the concerned District Councils (including Wan Chai, Central & Western, Eastern, Yau Tsim Mong and Kowloon City), for firms/shops in the vicinity of HKCEC and individual sectors such as banking, hotel and retail. The Administration had undertaken to maintain dialogue with various affected groups.

### Publicity and related activities

18. A Member disapproved of an Announcement in the Public Interest (API) on WTO depicting only the positive side of trade liberalization (e.g. consumers being able to buy cheaper products) while omitting its downside. Some Members referred to the positive impact of hosting MC6 which would help showcase the strength of Hong Kong as Asia's world city. The Administration was reminded to coordinate efforts from all fronts, notably the tourism, retail and catering sectors, and to plan ahead well for support programmes such as social and hospitality programmes and cultural events.

19. On funding, Members noted that to defray part of the cost for organizing MC6 and engage the active involvement of the community in the event, MCO had approached potential sponsors for securing sponsorship in either cash or kind. The Administration informed the CI Panel in October 2005 that the response was encouraging.

### Hong Kong's participation in WTO

20. Referring to the multilateral negotiations at WTO, some Members considered that the Government should make known its position on WTO-related trade issues such as the impact of globalization, trade liberalization and abolition of agricultural subsidies. They were also concerned about the WTO-related agreements which had been entered into by Hong Kong, as well as the implications of such agreements. The CI Panel will discuss these issues at the meeting on 17 January 2006 in the context of Hong Kong's participation in WTO.

### **Enactment of legislation**

21. The International Organizations (Privileges and Immunities) (World Trade Organization) Order made under section 3 of the International Organizations (Privileges and Immunities) Ordinance (Cap. 558) was enacted and came into operation on 7 July 2005. The Order accords the necessary privileges and immunities to the WTO, its officials and representatives of WTO members when exercising their functions in Hong Kong.

22. The Closed Area (Hong Kong Ministerial Conference of World Trade Organization) Order made under section 36 of the Public Order Ordinance (Cap. 245) was enacted and took effect on 2 December 2005. The Order declared certain areas in Wan Chai and Admiralty as delineated as "Land Closure" and "Sea Closure" during the period from 6:00 pm on 12 December 2005 to 5:00 am on 19 December 2005. Entry into or exit from these closed areas were only allowed with permission from the Commissioner of Police. An adjournment debate under Rule 16(4) of the Rules of Procedure took place at the Council meeting on 23 November 2005 for the purpose of debating the security and public order issues relating to MC6.

### **Latest position**

23. At the request of the CI Panel, the Administration will provide a report on MC6 at the meeting on 17 January 2006.

24. To examine in greater detail the security arrangements during MC6, the Panel on Security will discuss the subject on 7 February 2006.

### **References**

25. A list of relevant papers is at the **Appendix**.

Council Business Division 1  
Legislative Council Secretariat  
11 January 2006

## Hong Kong's hosting of the Sixth Ministerial Conference of the World Trade Organization

### List of relevant papers (Position as at 11 January 2006)

Committee	Paper/Report	LC Paper No.
Meeting of Finance Committee on 14 May 2004	<ul style="list-style-type: none"> <li>✧ Administration's paper : HEAD 181 – Trade and Industry Department Subhead 000 Operation expenses Subhead 700 General non-recurrent New item " Sixth Ministerial Conference of the WTO"</li> </ul>	FCR(2004-05)13
	<ul style="list-style-type: none"> <li>✧ Minutes of meeting</li> </ul>	FC104/03-04
Meeting of Panel on Commerce and Industry on 16 November 2004	<ul style="list-style-type: none"> <li>✧ Administration's paper : "Progress report for hosting of the Sixth Ministerial Conference of the World Trade Organization"</li> </ul>	CB(1)206/04-05(04)
	<ul style="list-style-type: none"> <li>✧ Minutes of meeting</li> </ul>	CB(1)409/04-05
Meeting of Panel on Commerce and Industry on 15 February 2005	<ul style="list-style-type: none"> <li>✧ Administration's paper : "Progress report for hosting of the Sixth Ministerial Conference of the World Trade Organization"</li> </ul>	CB(1)861/04-05(07)
	<ul style="list-style-type: none"> <li>✧ Administration's paper : "Proposed subsidiary legislation relating to privileges and immunities for the World Trade Organization"</li> </ul>	CB(1)861/04-05(08)
	<ul style="list-style-type: none"> <li>✧ Minutes of meeting</li> </ul>	CB(1)1071/04-05

Committee	Paper/Report	LC Paper No.
Meeting of Panel on Security on 3 May 2005	<ul style="list-style-type: none"> <li>✧ Administration paper : "Security arrangements for the Sixth Ministerial Conference of the World Trade Organization"</li> <li>✧ Minutes of meeting</li> </ul>	<p>CB(2)1409/04-05(01)</p> <p>CB(2)2117/04-05</p>
Subcommittee on International Organizations (Privileges and Immunities) (World Trade Organization) Order	<ul style="list-style-type: none"> <li>✧ Report of the Subcommittee to the House Committee meeting on 3 June 2005</li> </ul>	<p>CB(1)1686/04-05</p>
Meeting of Panel on Commerce and Industry on 19 July 2005	<ul style="list-style-type: none"> <li>✧ Administration's paper : "Sixth Ministerial Conference of the World Trade Organization facilitating demonstrations, restricted access zone, and traffic management plan"</li> <li>✧ Minutes of meeting</li> </ul>	<p>CB(1)2047/04-05(26)</p> <p>CB(1)2270/04-05</p>
Meeting of Panel on Commerce and Industry on 18 October 2005	<ul style="list-style-type: none"> <li>✧ Administration's paper : "Progress report for hosting of the Sixth Ministerial Conference of the World Trade Organization"</li> <li>✧ Minutes of meeting</li> </ul>	<p>CB(1)48/05-06(03)</p> <p>CB(1)261/05-06</p>

<b>Committee</b>	<b>Paper/Report</b>	<b>LC Paper No.</b>
Subcommittee on Closed Area (Hong Kong Ministerial Conference of World Trade Organization) Order	✧ Report of the Subcommittee to the House Committee meeting on 18 November 2005	CB(1)384/05-06
Meeting of Panel on Transport on 25 November 2005	✧ Administration's paper : "Special traffic and transport arrangements during the Sixth Ministerial Conference of the World Trade Organization" ✧ Minutes of meeting (pending)	CB(1)202/05-06(01)
Meeting of Panel on Security on 6 December 2005	✧ Administration's paper : Security arrangements for the Sixth Ministerial Conference of the World Trade Organization to be held in Hong Kong from 13 to 18 December 2005" ✧ Minutes of meeting (pending)	CB(2)546/05-06(04)