

**Opening Statement by  
Secretary for Constitutional and Mainland Affairs  
at the Special Meeting of the Finance Committee  
on 5 March 2012**

Chairman,

I wish to brief Members on the financial estimates of the Constitutional and Mainland Affairs Bureau (“CMAB”) in 2012-13 and our work priorities for the coming year.

**(I) Estimates of Expenditure of CMAB**

2. In 2012-13, CMAB is allocated \$459.6 million, which is \$67.1 million (about 17%) higher than the revised estimates for 2011-12.

3. The estimated increase mainly caters for the provision of funding for the following items :

- (a) full operation of the Hong Kong Economic, Trade and Cultural Office in Taiwan which was set up in December 2011;
- (b) operation of the dedicated liaison units in Chongqing and Fujian which were set up respectively in January and February 2012;
- (c) enhancing publicity and promotion activities in the Mainland including organising activities to celebrate the 15<sup>th</sup> anniversary of the establishment of the Hong Kong Special Administrative Region (“HKSAR”);
- (d) strengthening support for the promotion of equal opportunities and human rights;
- (e) additional subvention for the Office of the Privacy Commissioner for Personal Data (“PCPD”) to prepare for and implement the new provisions arising from amendments to the Personal Data (Privacy) Ordinance;
- (f) additional subvention for further strengthening the manpower of the Equal Opportunities Commission (“EOC”) to enhance its training and promotion work; and
- (g) additional resources for organising election-related activities.

4. The amount of additional allocation to the Mainland and Taiwan Offices is \$56 million. This takes up the majority of the additional resources allocated.

## **(II) Electoral Arrangements**

### **The 2012 Chief Executive Election**

5. The 2012 Chief Executive election will be held on 25 March. To ensure that the election will be conducted in a fair, open and honest manner in accordance with the relevant legislation, our Bureau is working closely with the Electoral Affairs Commission (“EAC”) to carry out the necessary work.

### **The 2012 Legislative Council Election and Related Arrangements**

6. We will work closely with the EAC to make practical arrangements to ensure that the 2012 Legislative Council (“LegCo”) election and associated electoral arrangements will be conducted in fair, open and honest manner in accordance with the relevant legislation. The EAC is now preparing the practical arrangements for the 2012 LegCo election and will consult the Panel on Constitutional Affairs on these arrangements soon.

### **Voter Registration System**

7. In response to the public concern about the residential addresses declared by electors, we have taken prompt action to review the existing voter registration system, and proposed a number of improvement measures. We discussed this issue with LegCo Members in December last year. After considering Members’ views, we have implemented four immediate measures to improve the existing system. They are enhanced checking, enhanced publicity, enhanced data cross-matching with the relevant departments, and additional checks on the lists of demolished buildings and buildings to be demolished. Separately, we have just completed a public consultation on other proposed improvement measures on 2 March. We will report the findings to LegCo Panel on Constitutional Affairs after consolidating the views received.

8. Separately, the Administration will launch a large-scale voter registration campaign in late March. The campaign aims at encouraging more eligible persons to register as voters so that they can vote at the Legislative Council election to be held in September. We will take the opportunity to remind the public that they should provide their true and correct residential addresses for voter registration. We will brief Members on the details of the campaign at the meeting of the Panel on Constitutional Affairs in March.

### **(III) Rights of the Individual**

#### **Promotion of Human Rights**

9. We will continue to promote public awareness of, respect for and protection of human rights, including promotion of rights of individual in respect of personal data privacy, equal opportunities irrespective of gender, family status and race, and for people of different sexual orientation and transgendered persons, and children's rights, through public education and promotional activities.

10. In 2012-13, the estimated total provision in human rights under the Bureau, including subventions to the EOC and the PCPD, amounts to \$167.1 million. This represents a 6% increase when compared with the revised estimates for 2011-12 at \$158.1 million.

#### **Estimates for the EOC**

11. The EOC continues to be responsible for the implementation of the four anti-discrimination ordinances. To further strengthening the manpower of the EOC to enhance its training and promotion work, additional subvention will be provided to the EOC in 2012-13. The total subvention will be \$90.8 million, representing a net increase of \$2.6 million or 2.9% compared with the revised estimate of 2011-12.

#### **Protection of Personal Data Privacy**

12. We introduced the Personal Data (Privacy) (Amendment) Bill 2011 into the Legislative Council in July last year so as to strengthen the protection of personal data privacy. The Bills Committee has had 10 meetings. We will continue to work closely with the Committee with a view to early passage of the Amendment Bill.

13. In parallel, the Government has endeavored to provide more resources to the PCPD to enhance enforcement and promotion work. In 2012-13, we propose to allocate \$60.3 million to the PCPD. After discounting the time-limited provision which will lapse at the end of this financial year, the amount of subvention for 2012-13 increases by \$9.9 million compared with that in 2011-12. This includes additional subvention of \$8.9 million to enable the PCPD to create 9 posts to take forward work relating to preparation for and implementation of the new provisions in the Personal Data (Privacy) Ordinance, implement the legal assistance scheme and promote the new provisions; and \$1 million to create two posts to strengthen PCPD's Corporate Communications and Information Technology Divisions.

### **Law Reform Commission's Report on Stalking**

14. In addition, to enhance the protection of privacy, we issued the Consultation Paper on Stalking in December last year to invite public views on the proposal to legislate against stalking and the key elements of the proposed legislation. The consultation will end on 31 March. After the consultation exercise, we will analyse and consolidate the views received and prepare a report to set out the proposed way forward.

### **(IV) Mainland Affairs and Co-operation with Taiwan**

15. In 2012-13, the financial provision under Programme (3) for the Mainland and Taiwan Offices is \$181.4 million, representing an increase of 44.7% compared with the revised estimate for 2011-12. This mainly covers the increased provisions for the operation of the Hong Kong Economic, Trade and Cultural Office in Taiwan and the dedicated liaison units in Chongqing and Fujian, and for enhancing publicity and promotion activities in the Mainland.

### **The HKSAR's Work in Complementing the National 12th Five-Year Plan**

16. Officially promulgated in March last year, the National 12th Five-Year Plan unprecedentedly included an individual chapter dedicated to the Hong Kong and Macao Special Administration Regions (the Dedicated Chapter). The Dedicated Chapter elaborates on the significant functions and positioning of the HKSAR in the development strategy of the country. It signifies the Central Government's strong support for maintaining the long-term prosperity and stability of Hong Kong and provides a historic opportunity for the future development of

Hong Kong. This is a significant breakthrough in Hong Kong's efforts in complementing the National Five-Year Plans.

17. In August last year, Mr Li Keqiang, Vice Premier of the State Council, visited Hong Kong and announced a series of concrete policies and measures formulated by the Central Government under the requirements of the National 12th Five-Year Plan to support Hong Kong in further developing and deepening its co-operation with the Mainland. There are more than 30 policies and measures (the New Supporting Policies and Measures) covering areas such as economic and trade, finance, society and people's livelihood, tourism and co-operation between Guangdong and Hong Kong. They provide a solid policy framework for the coming implementation work of the HKSAR.

18. In 2012-13, the CMAB will continue to assist in coordinating inter-bureau efforts, consistently monitoring the progress of the relevant bureaux and departments in implementing the content of the Dedicated Chapter and the New Supporting Policies and Measures, liaising with the relevant Mainland authorities, and taking forward the various regional co-operation initiatives, including the implementation of the Framework Agreement on Hong Kong/Guangdong Co-operation. The HKSAR has already established cooperation mechanism with our strategic regional cooperation partners, including Guangdong (and Shenzhen), Beijing, Shanghai, and the Pan-Pearl River Delta Region. Amongst them, Hong Kong-Guangdong co-operation is the most important. We will continue to deepen our economic co-operation with the Mainland based on the principle of complementarity, and realise the goal of basically achieving liberalisation of trade in services between the two places by the end of the 12th Five-Year Plan period.

### **Hong Kong-Guangdong Co-operation**

19. There was satisfactory development for Hong Kong / Guangdong co-operation in the past year. The National 12th Five-Year Plan announced in March last year, emphasizes, in particular, the need to deepen Hong Kong / Guangdong co-operation and to implement the Framework Agreement on Hong Kong / Guangdong Co-operation ("Framework Agreement"), and confirms the important functions of Hong Kong / Guangdong co-operation as set out in the Framework Agreement. It also highlights the strategic positioning and important role of Hong Kong / Guangdong co-operation in the overall development of the Nation. On this basis, Hong Kong and Guangdong signed the 2012 Work Plan in January this year. The CMAB will continue to liaise

closely with Guangdong and co-ordinate the work of the various bureaux concerned to pursue tangible and concrete results for Hong Kong / Guangdong co-operation.

### **Qianhai Development**

20. In respect of Hong Kong/Shenzhen Co-operation on the Development of Modern Service Industries in Qianhai Area, according to the consensus between the two governments, the Shenzhen Municipal Government takes up the leading role and is responsible for the development and management of Qianhai, while the HKSAR Government plays an advisory role by providing comments on the study and formulation of issues like development planning and the related policies. The HKSAR Government's advice to the Shenzhen authorities concerned mainly policy requests of the business sector and the creation of a business friendly environment in Qianhai. Moreover, the HKSAR Government has been actively complementing the publicity and promotional work of the Shenzhen authorities to introduce to Hong Kong enterprises, professional sectors and service suppliers the business opportunities brought about by Qianhai, with a view to assisting them to make use of the opportunities provided by Qianhai to tap into the mainland market.

### **Nansha development**

21. For the development of Nansha, Hong Kong and Guangzhou signed the Letter of Intent between Hong Kong and Guangzhou on Co-operation in Pushing Forward the Development of Nansha New Area in August last year. The Hong Kong / Guangzhou Co-operation Working Group held its first meeting in December last year to exchange views on Nansha's development directions. The HKSAR Government will maintain a close dialogue with the Guangzhou Municipal Government to promote the upgrading and transformation of Hong Kong-invested processing trade in Guangdong, to develop a demonstration zone for implementation of CEPA and related early and pilot measures, and to advance co-operation in social services.

### **Establishment of the Chongqing Liaison Unit and Fujian Liaison Unit**

22. The Chief Executive announced the establishment of the Chongqing Liaison Unit ("CQLU") and Fujian Liaison Unit ("FJLU") in his 2011-12 Policy Address in order to deepen our cooperation with the

Chengdu-Chongqing Economic Zone and the Economic Zone on the West Coast of the Taiwan Strait and to tap into the new business opportunities for the Hong Kong enterprises.

23. In 2012-13, we have set aside 9.6 million and 9.7 million, which include manpower expenditure and one-off set-up costs, to set up the CQLU and FJLU under the Chengdu ETO and Guangdong ETO respectively. The CQLU and FJLU have respectively commenced preliminary operation in January and February

24. The establishment of the two liaison units is expected to further deepen economic cooperation with the Mainland and give impetus to the sustained economic growth of Hong Kong. The liaison units can foster our exchange with the Chengdu-Chongqing Economic Zone and the Economic Zone on the West Coast of the Taiwan Strait at government, business and community levels. They can help improve the business environment for Hong Kong enterprises there and render necessary assistance to them. The liaison units can facilitate the Hong Kong services sector to capitalise on the new round of development of the Western Region and tap into the vast market potential in the Region. We can also demonstrate Hong Kong's unique role and competitive edges amidst the increasing cross-strait economic, trade and finance flow.

25. In the coming year, the Mainland Offices and the Hong Kong Economic, Trade and Cultural Office in Taiwan will continue to deploy resources flexibly to enhance liaison and communication with the Central People's Government, Mainland local governments, as well as Taiwan authorities and organisations under their purview. They will step up their efforts to promote economic and trade ties and investment. They will keep a close watch on the latest developments in the areas they cover and maintain close contact with the Hong Kong investors, with a view to assisting them in obtaining the latest information on business operation, and reflecting issues of common concern through appropriate channels.

### **Exchanges and Co-operation with Taiwan**

26. We will continue to make use of the direct communication platform between Hong Kong-Taiwan Economic and Cultural Cooperation and Promotion Council ("ECCPC") and its Taiwanese counterpart, Taiwan-Hong Kong Economic and Cultural Co-operation Council ("THEC"), to take forward with Taiwan proactively and pragmatically various agreed priority areas of cooperation involving public policies.

27. In the past year, the ECCPC and THEC made considerable achievements on various fronts:

- (a) the supervisory bodies of both sides signed a memorandum of understanding on banking supervision cooperation in August 2011.
- (b) after the opening of the official office of the Hong Kong Tourism Board in September 2011, the multi-functional Hong Kong Economic, Trade and Cultural Office commenced operation on 19 December 2011. The Office will assist the Administration and the ECCPC in organising activities to further enhance exchanges with Taiwan and in promoting Hong Kong, with the objective of strengthening closer economic and cultural relations between Hong Kong and Taiwan in the long run.
- (c) both sides signed an air services arrangement on 30 December 2011, which increases the flight frequency, number of destinations, and passenger and cargo capacities between Hong Kong and Taiwan. This strengthens Hong Kong's position as an international and regional aviation hub.

28. Looking ahead, we will continue to actively take forward with the Taiwan side the cooperation on other fronts such as medical and health cooperation, avoidance of double taxation on shipping income, and insurance supervision cooperation.

### **Promoting the Basic Law**

29. In 2012-13, the CMAB has set aside \$16 million for promotional activities related to the Basic Law. We will continue to :

- (a) use the electronic media;
- (b) organise promotional activities at district levels, such as roving shows and carnivals; and
- (c) strengthen co-operation with community organisation to enhance public awareness and understanding of the Basic Law.

30. This concludes my opening remarks. If Members have any questions on the above estimates of expenditures, I will be pleased to answer them.

Constitutional and Mainland Affairs Bureau  
March 2012