

Legislative Council Panel on Commerce and Industry

2015 Policy Address

Policy initiatives of Constitutional and Mainland Affairs Bureau in relation to Mainland and Taiwan co-operation

This paper briefs Members on the policy initiatives of the Constitutional and Mainland Affairs Bureau (“CMAB”) in relation to Mainland and Taiwan co-operation, some of which have been covered in the 2015 Policy Address.

Our vision

2. As an international financial centre and a business hub, and with our strengths in institutional arrangements, Hong Kong can continue to play an active role in the further development of our country, and in this process, foster our own development. The Hong Kong Special Administrative Region (“HKSAR”) Government attaches great importance to the relationship with the Mainland and will, under the “one country, two systems” principle, enhance our economic partnership with provinces and municipalities in the Mainland on various fronts through a series of initiatives. The HKSAR Government will also continue to advance economic and financial cooperation with the Mainland by capitalizing on the enormous growth opportunities arising from the implementation of the National Five-Year Plans. On Hong Kong-Taiwan relations, in the spirit of pragmatism and mutual benefit, we will continue to promote multi-level co-operation and exchanges with Taiwan proactively on various fronts.

3. The initiatives we will implement are highlighted as follows –
- (a) strengthening exchanges and co-operation between Hong Kong and the Fujian Province through establishing the Hong Kong-Fujian Co-operation Conference;
 - (b) maintaining close communication with the National Development and Reform Commission and other relevant Central authorities to complement the preparatory work for

the National 13th Five-Year Plan under the principle of “one country, two systems”;

- (c) deepening regional co-operation through our co-operation mechanisms with the Pan-Pearl River Delta (PPRD) region, the Guangdong Province, the municipalities of Beijing, Shanghai and Shenzhen, and the Macao Special Administrative Region (SAR);
- (d) continuing to cooperate with the Guangdong provincial government as well as the municipal governments of Guangzhou, Zhuhai and Shenzhen to promote the development of Nansha, Hengqin and Qianhai;
- (e) continuing to improve the network of the Mainland Offices by setting up more liaison units; and
- (f) strengthening exchanges and co-operation between Hong Kong and Taiwan in trade, tourism, culture, social livelihood and other fronts through the Hong Kong-Taiwan Economic and Cultural Cooperation and Promotion Council (“ECCPC”) and the Hong Kong Economic, Trade and Cultural Office (“HKETCO”) in Taiwan.

Detailed Measures

Establishing the Hong Kong-Fujian Co-operation Conference

4. Hong Kong and the Fujian Province have long enjoyed close ties. Hong Kong is the largest source of foreign investment of the Fujian Province and the most preferred platform for Fujian enterprises to bring in foreign investments and go global. To strengthen co-operation between Hong Kong and the Fujian Province, both sides agreed on the establishment of a Hong Kong-Fujian Co-operation Conference, led by the Chief Secretary for Administration and the Vice-Governor of Fujian Province responsible for Hong Kong and Macao affairs and commerce. The first Hong Kong-Fujian Co-operation Conference will be held in Fujian in late January this year.

National Five-Year Plans

5. The Steering Committee on Co-operation with the Mainland chaired by the Chief Secretary for Administration is responsible for providing the steer and co-ordinating with relevant policy bureaux and departments on work related to the National Five-Year Plans. Under the “one country, two systems” principle, the HKSAR Government has commenced work in relation to the National 13th Five-Year Plan and consulted relevant sectors and advisory committees. The HKSAR Government will continue to maintain close communication with the National Development and Reform Commission and other relevant Central authorities through the established liaison mechanism, with a view to consolidating and enhancing the competitive advantages of Hong Kong, and contribute to the long-term development of the country.

Deepening regional co-operation

6. The HKSAR Government strives to deepen regional co-operation through existing co-operation mechanisms with the PPRD Region; the Guangdong Province; the Municipalities of Beijing, Shanghai and Shenzhen; and the Macao SAR to open more business and career opportunities for Hong Kong enterprises and residents, as well as to further contribute to the development of the Country.

Co-operation with the Guangdong Province

7. The Guangdong Province has all along been the most important partner of Hong Kong in forging regional cooperation with counterparts in the Mainland. The HKSAR Government will continue to maintain a close dialogue with the Guangdong Provincial Government through the existing mechanisms, including the annual Hong Kong/Guangdong Co-operation Joint Conference (“HK/GDCJC”), Working Meeting of the HK/GDCJC and various task forces established underneath, with a view to implementing the Hong Kong/Guangdong Co-operation Framework Agreement (“Framework Agreement”) so as to benefit both Hong Kong and Guangdong.

8. The Chief Executive, Mr C Y Leung, and the Governor of Guangdong Province, Mr Zhu Xiaodan, co-chaired the 17th Plenary of the HK/GDCJC in Guangzhou in November last year. At the meeting, both sides reached consensus on the key areas for further co-operation in 2015 and agreed to further implement the liberalization of trade in services on the basis of the “early basic achievement of liberalisation of trade in services between Hong Kong and Guangdong” in 2014. The Plenary also agreed to further strengthen co-operation in areas such as financial services, professional services, tourism, cross-boundary infrastructure, environmental protection, cultural exchange and other key co-operation regions (i.e. Qianhai, Nansha and Hengqin).

9. The two sides also witnessed the signing of five co-operation plans and agreements after the meeting, including the “Guangdong-Hong Kong Co-operation Framework Agreement on Co-development of Modern Research Projects”; “Guangdong-Hong Kong Cultural Exchange and Co-operation Development Plan 2014-2018”; “the Co-operation Plan for the Sharing of Vessel Traffic Services Data in the Pearl River Estuary Region”; “Guangdong-Hong Kong Cooperation Agreement on Cleaner Production”; and “Cooperation Agreement in Meteorological Science and Technology”.

10. The CMAB and relevant Government bureaux will continue to implement the various cooperation areas under the Framework Agreement. The two sides are now preparing the “2015 Work Plan” (“the Work Plan”) based on the consensus reached at the 17th Plenary of the HK/GDCJC on the directions for co-operation in 2015. The Work Plan will be signed by the Chief Secretary for Administration, Mrs Carrie Lam, and the Vice-Governor of Guangdong Province, Ms Zhao Yufang, at the coming 20th Working Meeting of the HK/GDCJC to be held this year.

Promotion of Nansha, Hengqin and Qianhai development

11. Nansha, Hengqin and Qianhai are major co-operation projects amongst Guangdong, Hong Kong and Macao set out in the dedicated chapter of the National 12th Five-Year Plan. The HKSAR Government has been actively supporting the development of these three areas. We have also established mechanisms to liaise with the Guangdong Provincial Government, the Guangzhou Municipal Government, the

Shenzhen Municipal Government and the Zhuhai Municipal Government to jointly explore opportunities for cooperation in various aspects, so as to achieve mutual benefits on both sides.

12. The first meeting of the Inter-ministries Joint Conference on the Promotion of the Development of Qianhai, Nansha and Hengqin in Guangdong, as chaired by the National Development and Reform Commission, was held on 25 November last year in Beijing. The Chief Secretary for Administration led the HKSAR Government delegation to attend the meeting.

Enhancing co-operation with PPRD Region

13. We will continue to coordinate relevant bureaux in enhancing the co-operation with the PPRD Region. With its extensive and close connections with international community, Hong Kong can make good use of its role as a “super-connector” for international funds, talents and technology, and explore future room for co-operation and business opportunities.

Improving the network of the Mainland Offices of the HKSAR Government

14. The Wuhan Economic and Trade Office (ETO) was established in April last year. The HKSAR Government has a more comprehensive network in the Mainland, with the Shanghai ETO in the east, the Guangdong ETO in the south, the Chengdu ETO in the west, the Beijing Office in the north and the Wuhan ETO in the central region.

15. To further expand the network of the Mainland Offices, we recently set up a liaison unit in Liaoning Province in December 2014 to underpin the Beijing Office to facilitate Hong Kong people and enterprises to capitalise on the opportunities brought about by the rapid development of the northeast region. We plan to set up a liaison unit in Shandong Province under the Shanghai ETO in the first half of this year. We will also make preparation to set up a liaison unit in the central region upon the full-fledged operation of the Wuhan ETO.

Development of Hong Kong –Taiwan relations

16. Hong Kong and Taiwan have been promoting exchanges and co-operation on various public policy areas through the ECCPC and the Taiwan-Hong Kong Economic and Cultural Co-operation Council (“THEC”) respectively. The ECCPC-THEC platform has already agreed on more than 20 priority areas of co-operation, demonstrating fully the various opportunities brought about by co-operation between the two places. In the past year, the tourism promotion organisations of both sides signed an agreement to launch the Asia Cruise Fund, encouraging cruise lines to include Hong Kong and Taiwan in more cruise itineraries. Deposit protection agencies of both sides also signed a memorandum of understanding to enhance information sharing and co-operation in dealing with cross-region deposit matters. We hope that both sides can continue their efforts to make good use of the ECCPC-THEC platform to enhance Hong Kong-Taiwan relations and benefit people in the two places.

17. Our multi-functional office in Taiwan viz. HKETCO will continue to conduct its local liaison and services functions to deepen the understanding of the Taiwan community towards Hong Kong’s developments and culture. Apart from providing support to senior echelons of the HKSAR Government and the ECCPC during their visits to Taiwan, HKETCO will also launch various large-scale events (e.g. “Hong Kong Week”, “Intercity Forum” etc.) and proactively forges ties with different sectors in Taiwan (e.g. city and county governments, business organisations, cultural organisations, academic institutions, media, Hong Kong people and businesses in Taiwan etc.) to facilitate continuous economic and cultural exchanges between Hong Kong and Taiwan.

Conclusion

18. Members are invited to note the content of this paper.

Constitutional and Mainland Affairs Bureau
20 January 2015