

**Presentation by Director, Beijing Office
at the Special Meeting of the Finance Committee
on Tuesday, 21 March 2000**

Mr. Chairman,

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

2. The Beijing Office's work covers three major areas, namely liaison, publicity and immigration matters.

Liaison

3. The primary objective of the Beijing Office is to function as one of the communication and liaison channels between the HKSARG and the CPG and local Mainland authorities. Our focus at the early stage of establishment was therefore to establish contacts, so that we can carry out our work while building up liaison with them. In the past year, the Beijing Office has established contacts with over 60 CPG ministries/missions and representative offices of local authorities. We have briefed them on the implementation of the "One Country, Two Systems" principle and the Basic Law in Hong Kong after reunification, as well as HKSAR's major developments in various areas. We have also exchanged views on issues of mutual interest. These contacts have proven to be very useful in our work.

4. Another major task of the Beijing Office is to keep the HKSARG abreast of Mainland's latest developments. In this respect, we have kept the HKSARG informed of the latest macroeconomic developments in the Mainland, new legislation and regulations which may affect the interests of Hong Kong people doing business or investing in the Mainland, as well as new policies and practices in various fields. Relevant bureaux and departments disseminate the information to members of the public through their own channels as appropriate.

5. On HKSARG's instructions, we also make enquiries or discuss specific issues with relevant Mainland authorities, and take follow-up actions as appropriate.

6. Last year saw the 50th anniversary of the establishment of the PRC and the reunification of Macau. The Beijing Office liaised with the central

organising body to coordinate the HKSARG's participation in these two major events.

7. In the coming year, we plan to strengthen and broaden our liaison network with CPG ministries/commissions and other related organisations. We also plan to visit more provinces, regions and municipalities to foster their links with Hong Kong. In addition, we envisage that there will be many major developments and initiatives on Mainland's macroeconomics in the coming year, including the preparation of the Tenth Five-Year Plan, development programme for the western region, accession to the WTO and the related market opening initiatives. Through our liaison with central and local authorities, we shall watch closely and keep the HKSARG informed of the above developments. We hope in this way we can help Hong Kong grasp the business opportunities brought along by these developments.

Publicity

8. Another important task of the Beijing Office is to promote Hong Kong's image in the Mainland, and enhance Mainland residents' understanding of the implementation of "One Country, Two Systems" principle and the Basic Law in Hong Kong, as well as HKSAR's developments in various areas. In the past year, we held exhibitions in Beijing, Shanghai and Wuhan. This week a large-scale publicity programme "Hong Kong Week" is taking place in Tianjin.

9. In the coming year, we plan to organise publicity activities in about six Mainland cities. Activities contemplated include exhibitions, seminars, cultural events and other related programmes.

10. The Beijing Office will continue to arrange meet-the-media sessions for visiting senior HKSARG officials to brief the local media on policy developments within their purview. The media reports will better Mainland residents' understanding of Hong Kong affairs.

Immigration Matters

11. The Beijing Office has processed and referred about 10,000 applications for visas and entry permits last year. We have also initiated discussions with eight embassies in Beijing on visa-free access of HKSAR passport holders. Of the countries we have approached, Bahrain and Slovakia have responded positively by agreeing to grant visa-free entry to HKSAR passport holders.

12. I would like to take this opportunity to talk about requests for assistance from Hong Kong residents in the Mainland handled by our office, including detention cases. When our office was set up, this aspect of work

was outside our terms of reference and hence no staff or financial resources were set aside for it. Currently the Beijing Office has taken up these extra tasks by internal redeployment of resources.

13. Through our liaison network, we generally receive positive responses from relevant Mainland departments to our enquiries on cases we follow up. Progress has also been seen in some cases. For example, prosecution procedures in some cases have been expedited; medical examination has been given to those who applied for parole on medical grounds, and more information has been given on the current situation of some cases.

Draft Estimates of Expenditure

14. Lastly, I would like to briefly explain to Members Beijing Office's draft estimates of expenditure for the coming financial year.

15. First, I would like to point out that the Beijing Office was formally established and commenced its operation in March last year. It was a novel establishment to both the HKSAR and Mainland authorities. There was no precedence for us to follow in formulating our work plan and budget estimates. We have gone through an exploratory stage in the early months to get to know more about the situation in the Mainland. Moreover, we have exercised economy in spending since the commencement of our operation. As a result, we were able to adjust downwards by \$14.13 million in our revised estimate over our original estimate for 1999-2000. However, in the coming year the Beijing Office's operations are expected to be in full swing, and our recurrent expenditure in 2000-01 is estimated at \$53.1million, representing an increase of \$7.97 million over the 1999-2000 revised estimate of \$45.13 million. The bulk of the increase goes to general departmental expenses. As I have already given justifications for the increase and provided information about individual expenditure items in my replies to Members' written questions separately, I shall not repeat here.

Conclusion

16. If Members have any questions concerning the work or estimates of expenditure of the Beijing Office, I shall be glad to answer. Thank you.