Information Paper for LegCo Panel on Commerce and Industry

Report on the Work of HKSAR Government's Offices in the Mainland

This paper gives an account of the work undertaken by the Office of the Government of the HKSAR in Beijing and the Hong Kong Economic and Trade Offices in Guangdong, Shanghai and Chengdu between June 2009 and May 2010. Details of the work of these four Mainland Offices are set out in Annexes 1 to 4.

Mainland Offices	<u>Annex</u>
Beijing Office (BJO)	1
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Constitutional and Mainland Affairs Bureau June 2010

Report on the Work of the Office of the Government of the Hong Kong Special Administrative Region in Beijing

The main functions of the Office of the Government of the Hong Kong Special Administrative Region in Beijing (BJO) are to (a) enhance liaison and communication between the Government of the Hong Kong Special Administrative Region (HKSARG), the Central People's Government (CPG) and Mainland authorities in the 15 provinces/municipalities/autonomous regions¹ under its coverage, (b) promote Hong Kong in general and particularly over economic and trade relations with the 15 provinces/municipalities/autonomous regions, (c) handle immigration related matters, and (d) provide assistance to Hong Kong residents in distress.

Liaison with CPG, Mainland Authorities and HK Fraternities

- 2. During September and October 2009, HKSAR took part in the celebration activities of the 60th anniversary of the founding of the People's Republic of China in Beijing, including a month-long exhibition in Beijing Exhibition Centre which showcased the achievements that China has made in the past 60 years. BJO was tasked to design and set up a Hong Kong exhibition booth as well as to receive visitors to the Hong Kong booth. The Hong Kong booth was awarded the "best organisation" and "best design and production" prizes. More than 700,000 people visited the exhibition.
- 3. Moreover, the Hong Kong float participated in the National Day Parade on 1 October. To facilitate preparation and rehearsals, BJO assisted relevant departments in Hong Kong in liaising closely with the Command Centre of the National Day Parade, the Hong Kong and Macao Affairs Office of the State Council and other related authorities. In addition, the Chief Executive led a 200-strong delegation comprising members from various sectors of the community to visit Beijing between 30 September and 2 October to attend various celebration activities including the National Day reception, a military parade, a mass pageant and a cultural performance. BJO assisted in the liaison work before the delegation arrived and provided support to the delegation during its stay in Beijing.
- 4. BJO provided regular reports to bureaux and departments to enable them to better understand the policies and developments in the Mainland and assess possible implications on Hong Kong. Examples include latest developments of the Influenza A (H1N1), latest economic data, policies related to the pilot schemes of Renminbi cross-border trade settlement and development of financial market, national plans to revive major industrial and service sectors, various regional development plans, the medical and healthcare system reform, as well as important regulations and news regarding the control measures on the property market, food safety, support to small and medium enterprises, trade and taxes etc.
- 5. BJO continued to maintain close contact with Mainland authorities on other matters during the report period. We arranged calls for and provided logistics support to 21 major visits including four visits to Beijing by the Chief Executive (September and December 2009, March and April 2010), three visits to Beijing by the Chief Secretary of Administration (September 2009, January and April 2010), a visit to Heilongjiang by a delegation led by the

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¹ 15 provinces/municipalities/autonomous regions under BJO's coverage are Beijing, Tianjin, Hebei, Henan, Shandong, Shanxi, Liaoning, Jilin, Heilongjiang, Inner Mongolia, Xinjiang, Gansu, Ningxia, Qinghai and Tibet.

Financial Secretary (May 2010), one visit to Beijing by the Secretary for Justice (April 2010) and visits by other principal officials. BJO also assisted in the preparation of the signing ceremony of the Framework Agreement on Hong Kong/Guangdong Co-operation held in Beijing on 7 April 2010, which was attended by the Chief Executive and many HKSARG officials.

BJO also continued to work with the Mainland offices of the Hong Kong Trade 6. Development Council (HKTDC), Hong Kong Tourism Board, Hong Kong Exchanges and Clearing Limited, and major Hong Kong related business chambers, as well as Hong Kong people in Beijing. For example, we helped organise a luncheon between the Hong Kong Chamber of Commerce in China (HKCCC) and the Chinese Manufacturers' Association of Hong Kong in Beijing in June 2009. BJO arranged the Secretary for Financial Services and Treasury to attend the grand opening of HKTDC's Design Gallery Beijing in October 2009. Through the arrangement of BJO, the Chief Executive attended a function of the HKCCC and met with Hong Kong students studying in Beijing, and interns working in Beijing under the Graduate Internship Programme of the Labour Department in March 2010. We were one of the organisers of the "Exchange Forum between Beijing Municipal Government and the HKCCC" held in April 2010. We also supported campus activities held in Renmin University, Peking University, and Tsinghua University organised by Hong Kong students and provided Hong Kong students with information on civil service recruitment exercises during the period. Furthermore, BJO supported activities held by various cultural, academic or professional bodies in Beijing. We helped them to invite guests from the offices of Hong Kong-related organisations in Beijing and Mainland authorities with a view to promoting Hong Kong.

Commercial Relations

- 7. BJO assisted in the organisation of the "13th Beijing–Hong Kong Economic Cooperation Symposium" held in Beijing in October 2009 to promote the trade and economic cooperation between the two places.
- 8. During the report period, BJO participated in a number of trade activities in the Northeast China. For instance, "the 20th Harbin International Economic and Trade Fair" and "the 2nd International Forum of Regional Cooperation and Development in Northeastern Asia", as well as "the 5th China Jilin Northeast Asia Investment and Trade Expo". BJO also attended a number of trade fairs held in Tianjin, Gansu, Ningxia and Xinjiang etc. to strengthen our ties with relevant local authorities. At the same time, BJO assisted in the arrangement of the attendance of the HKSAR government's principal officials in trade promotion events held in Hong Kong by Heilongjiang, Jilin, Hebei, Shandong and Tianjin governments, among others.
- 9. BJO also kept in close contact with Mainland authorities regarding economic and trade affairs between the Mainland and Hong Kong. BJO monitored closely Mainland regulations in respect of professional services, corporate taxation and social insurances etc which are related to Hong Kong businesses and keep Hong Kong businesses and relevant bureaux and departments updated.

Investment Promotion

10. On the task of attracting mainland enterprises to establish and invest in Hong Kong, the North China Investment Promotion Unit of BJO has endeavoured to proactively liaise and visit potential enterprises, relevant commercial and industrial organisations to introduce the advantages of Hong Kong as a place for investment and a platform for extending operation to overseas. We also provided the interested enterprises with comprehensive assistance and

consultation services. Between June 2009 and May 2010, 313 companies were visited, 76 prospective and 33 live projects were generated and 13 projects were completed. On large scale promotion events, BJO attended 78 industry-specific or investment seminars and exhibitions.

Public Relations

- 11. The HKSAR took part in the 60th anniversary celebration activities mentioned above during September and October 2009 to further promote Hong Kong's image as a special administrative region. Besides, BJO staged 20 roving mini-exhibitions at major trade fairs and other promotional events in provinces, autonomous regions and municipalities under BJO's purview to celebrate the 60th anniversary of the founding of the People's Republic of China with a view to enhancing Mainlanders' understanding of Hong Kong. The exhibitions featured the latest developments in Hong Kong including the 2009 East Asian Games. The 20 mini-exhibitions received a total of 330,000 visitors.
- 12. To reach out to a wider audience, BJO co-produced with China National Radio regular weekly radio programmes which reported news and developments of Hong Kong. BJO also worked with the People's Daily Online to produce a dedicated website to introduce the latest developments in Hong Kong as Asia's world city. The average monthly hit rate of the website exceeded 740,000.
- 13. BJO also organised jointly with the People's Daily Online a photo competition to showcase Hong Kong through the photographic images taken by Mainland residents. More than 2,000 entries were received from internet users of 28 provinces, autonomous regions and municipalities. The winning entries were displayed subsequently at events organised by BJO.

Immigration-related Matters and Assistance Rendered

- 14. Immigration matters handled by BJO include processing applications for entry to Hong Kong, liaising and maintaining contacts with counterparts in relevant CPG departments on immigration and nationality matters, conducting negotiations on visa-free access with foreign diplomatic missions in Beijing, handling enquiries on immigration matters, and providing practical assistance to Hong Kong residents who have lost their documents or encountered personal safety problems in the Mainland. Between June 2009 and May 2010, BJO received a total of 391 requests for assistance from Hong Kong residents in distress in the Mainland. Of these, 43 cases involved the loss of travel documents or monies, 341 cases were from persons who were in danger, involved in traffic accidents, injured, sick or whose relatives had passed away in the Mainland, etc, and the remaining 7 cases involved the detention of Hong Kong residents in the Mainland. In addition, BJO processed 6,218 entry applications and handled 21,579 enquiries.
- 15. Since March 2001, BJO has started an arrangement to provide emergency financial assistance to Hong Kong residents in the Mainland who have lost their monies and who could not seek immediately from their family members the financial assistance. BJO could advance a reasonable amount of money to the persons in need subject to their undertaking to repay the advanced sum in full and return to Hong Kong immediately. Between June 2009 and May 2010, there were 2 assistance cases where emergency financial assistance was provided, involving a total of RMB 5,413.
- 16. During June to August 2009, more than 200 Hong Kong people were requested by the relevant authorities to receive medical treatment or be quarantined at designated hospitals or hotels in Beijing and Jiayuguan, Gansu because they had infected Influenza A (H1N1) or

had contacted such patients. BJO staff visited these people at hospitals or hotels and offered assistance.

17. BJO also handles cases other than those concerning loss of travel documents and personal safety. Between June 2009 and May 2010, BJO handled a total of 13 cases on business and trade disputes, 19 cases on matters relating to real estate in the Mainland, 62 cases on matters relating to administrative, law enforcement and judicial agencies in the Mainland and 7 other cases mainly by making referrals to and following up the cases with the relevant Mainland authorities.

Looking Ahead

18. BJO will continue to promote Hong Kong in the 15 provinces/municipalities/autonomous regions under its coverage and liaise with the governments of these provinces/municipalities/autonomous regions in respect of economic and trade and other matters with a view to enhancing Mainlanders' understanding of Hong Kong and strengthening mutual communications. BJO will also continue to monitor developments in major policies and initiatives in the Mainland, in particular the preparatory work of the National 12th Five-Year Plan, and report to relevant bureaux and departments in a The preparatory work for the "14th Beijing – Hong Kong Economic Cooperation Symposium" tentatively scheduled for November 2010 has also commenced.

Beijing Office June 2010

Report on the Work of the Hong Kong Economic and Trade Office in Guangdong

The Hong Kong Economic and Trade Office in Guangdong (GDETO) is responsible for handling economic and trade matters between the Hong Kong Special Administrative Region (HKSAR) and the five provinces/region of Fujian, Jiangxi, Guangdong, Guangxi and Hainan. Similar to other HKETOs, GDETO serves to promote Hong Kong's economic and trade interests, and seeks to attract investment into Hong Kong.

- 2. To continue to strengthen our ties with the provincial and municipal authorities in the five provinces/region as well as the non-governmental organisations there, we co-organised with the Hong Kong and Macao Affairs Office/Foreign Affairs Office of the five provinces/region under GDETO's coverage the fourth of the series of roving TV programmes in January 2010 in Haikou of Hainan Province. The show, jointly produced by GDETO, the Hong Kong and Macao Affairs Office of Hainan Province, Hainan Provincial TV Station, and Hong Kong's Asia Television Limited, was well received by an audience of over 1,500. We have arranged to broadcast the show in Hong Kong and the Mainland. The next TV show will be held in the Guangxi Zhuang Autonomous Region.
- 3. Hong Kong business organisations stationed in the provinces/region and trade associations are our valuable working partners. We work closely together to provide better services to Hong Kong businesses and assist them in looking for investment opportunities in the Mainland. The eighth Gala Dinner for Hong Kong enterprises operating in the Pearl River Delta (PRD) region was held in Dongguan in December 2009. About 1,000 Hong Kong businessmen attended the event.
- 4. In the past year, we continued to provide logistical support to major meetings/activities held in the five provinces/region under GDETO's coverage, including the Pan-PRD Regional Cooperation and Development Forum, visits of senior officials to the nine PRD cities, Forum on the Implementation of "the Outline of the Plan for the Reform and Development of the Pearl River Delta Region" by Hong Kong and the Nine PRD Municipalities, the Hong Kong/Guangdong Cooperation Joint Conference, business forum on implementation of CEPA and Guangdong pilot measures in service sectors, etc. With the growing economic relation between Hong Kong and the Mainland in recent years, we assisted government departments both in Hong Kong and the Mainland in planning and coordinating a number of mutual visits by senior officials of the two sides.

Commercial Relations

- 5. GDETO continued its effort in providing Hong Kong enterprises with a wide range of services to facilitate their business development in the five provinces/region. The weekly Guangdong ETO Newsletters provided the latest information on the rules and regulations, as well as economic and trade-related development in the five provinces/region. It also publicised the various activities organised by GDETO.
- 6. GDETO organised a number of activities to promote the business development of Hong Kong enterprises in the five provinces/region and enhance their understanding of relevant rules and regulations in the Mainland. These activities covered a variety of topics of concern among Hong Kong businessmen, e.g. customs-related regulations, measures to assist enterprises in transformation and relocation and to cope with the financial turmoil, etc.; and included:

- Seminar on General Administration of Customs Notice No.113 and Notice No.150 revision consultation held in Guangzhou on 14 October 2009;
- Seminar on brand building held in Shenzhen on 22 January 2010;
- Exchange sessions with heads of Hong Kong's trade and industry associations held in Shenzhen on 3 November 2009 and 23 April 2010.

Separately, GDETO co-organised with the Dongguan Municipal Government and Hong Kong's trade and industry associations the fifth and sixth meetings of the "Joint Conference on the Transformation and Upgrading of Hong Kong-invested Enterprises in Dongguan" on 31 July 2009 and 15 March 2010 in Dongguan and Hong Kong respectively. The meetings discussed issues of concern to Hong Kong enterprises, and reviewed the difficulties experienced by them in their course of transformation and upgrading. Besides, on 24 July 2009, a Textiles Working Group meeting was held in Zhongshan, where the trade and representatives of relevant Guangdong authorities discussed the problems the textiles industry encountered when operating in Guangdong.

- 7. GDETO also organised study missions from time to time to assist Hong Kong businesses to understand the investment environment in the Mainland. On 14 and 15 April 2010, the GDETO assisted the Federation of Hong Kong Industries to arrange a visit to Shantou to explore the possibilities of industrial relocation to the Eastern part of Guangdong. During the visit, the mission held meetings with the Shantou Municipal Government, and visited Hong Kong enterprises and some industrial relocation parks.
- 8. The Chief Executive (CE) attended the Boao Forum for Asia Annual Conference 2010 on 9 and 10 April 2010. GDETO assisted in arranging the HKSARG official delegation to take part in the various events of the Forum. In addition, GDETO arranged the Financial Secretary's visit to Donguan on 10 August 2009 to visit and meet with the Hong Kong enterprises operating there. GDETO also assisted in arranging the Chief Secretary for Administration's visit to Fuzhou on 28-30 April 2010, where he met with the Fujian Party Secretary and Governor, and officiated the opening ceremonies of the "Style Hong Kong, Fuzhou" and the "China (Hong Kong) International Services Symposium" in Fuzhou organised by the Hong Kong Trade Development Council.
- 9. GDETO continued to actively assist Hong Kong enterprises by reflecting their common concerns to the relevant local government authorities and taking follow-up actions. Some important issues included meeting the challenges of the financial turmoil, expanding businesses in Mainland's domestic market, processing trade policy adjustments, labour policies, environmental protection policies, arrangements on exports of textiles products, as well as policies on product safety.

Investment Promotion

- 10. One of the major duties of GDETO is to promote the positive image of Hong Kong, and Hong Kong as the ideal platform for enterprises in the five provinces/region under GDETO's coverage to expand their businesses and to enter the global market. Through building up and maintaining strategic working relationship with the relevant local government authorities and more than 30 local trade and industry organisations in the five provinces/region, we have, in the past 12 months, continued to contact, attract and assist enterprises to invest in Hong Kong.
- 11. In the past 12 months, GDETO conducted 264 meetings with Mainland enterprises, and provided advice and assistance to them for setting up a presence in Hong Kong. During

this period, GDETO generated 84 prospective projects and 29 live projects, and completed 21 projects.

- 12. GDETO organised, or co-organised with other organisations, a total of 14 investment promotion activities in Guangzhou, Shenzhen, Foshan, Dongguan, Huizhou and Shantou of Guangdong Province; Xiamen and Quanzhou of Fujian Province; as well as Nanning of Guangxi Zhuang Autonomous Region. The major activities included:
- "Seminar on Investing in Hong Kong for Shantou Enterprises" co-organised with Shantou Foreign Trade and Economic Cooperation Bureau in August 2009;
- "Using Hong Kong As A Platform To Go Global" seminar co-organised with Invest Hong Kong, Department of Outward Investment and Economic Cooperation of the Ministry of Commerce, and Trade Office of the Economic Affairs Department of the Liaison Office of the Central People's Government in HKSAR in September 2009;
- "Seminar on Financing and M&A through Hong Kong for Guangzhou, Foshan and Zhaoqing Enterprises" co-organised with the Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality in December 2009; and
- "Hong Kong Your Platform to Go Global" seminar co-organised with Invest Hong Kong, the Department of Outward Investment and Economic Cooperation of the Ministry of Commerce, Trade Office of the Economic Affairs Department of the Liaison Office of the Central People's Government in the HKSAR, as well as the Department of Foreign Trade and Economic Cooperation of Guangdong Province and China Council for the Promotion of International Trade Guangdong Sub-Council in March 2010.
- 13. We also organised a total of three study missions for Guangdong and Fujian enterprises to Hong Kong in July and November 2009.
- 14. Apart from the above, the Secretary for Constitutional and Mainland Affairs attended the 13th China International Fair for Investment and Trade held in Xiamen, Fujian Province in September 2009. Besides, the Secretary for Financial Services and the Treasury led a delegation of around 70 participants from the Hong Kong financial services sector to Fuzhou, Quanzhou and Xiamen in December 2009. GDETO assisted in organising and providing support to these visits.

Public Relations

- 15. CE and various Principal Officials' frequent visits to the Mainland have provided opportunities to foster government-to-government connections. The highlights of such visits included the CE's visit to Boao of Hainan and Nanning of Guangxi, and the Chief Secretary for Administration's visits to the nine cities in the PRD region. GDETO coordinated media plans to facilitate local and Hong Kong media to cover the visits, where appropriate.
- 16. To celebrate the 12th Anniversary of the establishment of HKSAR and to promote the image of Hong Kong, GDETO organised a cocktail reception in July 2009 which was well attended by representatives of the provincial and municipal governments, non-governmental organisations and trade associations. A gala dinner to celebrate the 60th National Day cum seventh anniversary of GDETO was also organised in October 2009. The event helped foster the relationship between GDETO and the provincial and municipal governments, non-governmental organisations and trade associations in the five provinces/region under GDETO's coverage.
- 17. Opportunities were taken to promote the fifth East Asian Games held in Hong Kong

in December 2009 at various functions including exhibitions and a float parade. Promotional messages were also disseminated during speaking engagements and media interviews.

Others

- 18. Immigration matters handled by GDETO included handling enquiries on immigration-related matters, and providing practical assistance to Hong Kong residents who have lost their travel documents or encountered personal safety problems in areas under the coverage of GDETO. Between June 2009 and May 2010, GDETO handled 1,145 enquires and rendered assistance to 176 cases which were related to loss of travel documents and personal safety problems.
- 19. Since November 2007, GDETO has started an arrangement to provide emergency financial assistance to Hong Kong residents in the Mainland who have lost monies and who cannot seek immediate financial assistance from their family members. One case requiring the provision of emergency financial assistance was received during the report period.
- 20. GDETO also handles cases other than those concerning loss of travel documents and personal safety. Between June 2009 and May 2010, GDETO handled a total of 32 cases on economic and trade-related matters, and 36 cases on real estate, land compensation and other issues, by making referrals to and following up on the cases with the relevant Mainland authorities.

Looking Ahead

- 21. In the light of the close cooperation between the HKSAR and the Mainland provinces/cities in the areas of economy, trade, culture and education; implementation of the pilot measures in Guangdong under CEPA; promulgation of "The Outline of the Plan for the Reform and Development of the Pearl River Delta", and the signing of the "Framework Agreement on Hong Kong/Guangdong Cooperation"; GDETO will continue to serve as the bridge of liaison between Hong Kong and the local Mainland authorities, and to promote mutually beneficial regional cooperation. We will try our best to assist Hong Kong enterprises with operations in the five provinces/region in their upgrading and relocation. In addition to providing services to Hong Kong enterprises, we will continue our efforts in facilitating incoming investment of potential enterprises from the five provinces/region into Hong Kong. Taking into account the potential and economic development of the provinces/region within GDETO's coverage, we will continue to intensify our investment promotion work in Guangdong and Fujian, and consolidate the groundwork for future cooperation in the other provinces/region.
- 22. To further strengthen the cooperation between Hong Kong and Guangdong and Hong Kong and Shenzhen, GDETO is establishing a liaison unit in Shenzhen, to enhance our liaison with the Shenzhen authorities and to provide support to Hong Kong residents and businesses in Shenzhen. We expect that the Shenzhen Liaison Unit will start operation around mid-2010.

Hong Kong Economic and Trade Office in Guangdong June 2010

Report on the Work of the Hong Kong Economic and Trade Office in Shanghai

The main functions of the Hong Kong Economic and Trade Office in Shanghai (SHETO) are to (a) enhance liaison and communication between the Government of the Hong Kong Special Administrative Region (HKSARG), Mainland authorities in the Municipality of Shanghai and the four provinces of Jiangsu, Zhejiang, Anhui and Hubei; (b) promote Hong Kong and facilitate cooperation between Hong Kong and the above places on economic and trade as well as other fronts; and (c) provide suitable assistance to Hong Kong residents and businesses in need in these places. In addition to the above functions, SHETO also plays an important role in HKSAR's participation in the World Exposition 2010 Shanghai China (Shanghai Expo).

Commercial Relations

- 2. SHETO organised and participated in some major trade promotion events to promote Hong Kong's business sector and help them explore business opportunities in the region covered. With due attention to Shanghai's plan to develop into an international financial and shipping centre, SHETO had made particular efforts in assisting Hong Kong business sector to look out for business opportunities that would arise, e.g. organising events to promote cooperation in the financial and shipping sectors.
- 3. SHETO provided timely reports to relevant HKSARG bureaux and departments, and kept Hong Kong business and trade organisations informed, through newsletters and special notices, of the latest economic and trade policies, regulations and measures in the regions covered. The office also monitored and gathered the views of Hong Kong businesses on Mainland policies and regulations that might have impact on their business and other issues of common concern, and reflected their views to relevant Mainland authorities for consideration where appropriate.
- 4. SHETO provided assistance to various Mainland provinces and cities in organising trade promotion activities in Hong Kong, by helping them to liaise with the relevant HKSARG bureaux and departments as well as trade and industry organisations, and to invite HKSAR government officials to attend the activities. The office also assisted in organising courtesy calls on senior HKSARG officials for the visiting Mainland officials.
- 5. With regard to CEPA, SHETO co-organised with the Shanghai Municipal Commission of Commerce seminars on specific service sectors that were attended by representatives from Hong Kong companies and professionals in Shanghai, to solicit their views and suggestions on better implementation of CEPA measures and possible areas for further liberalisation. SHETO also passed the Shanghai Municipal Commission of Commerce's new CEPA proposals to the relevant HKSARG bureau and department for their consideration and follow up.
- 6. SHETO continued to facilitate further cooperation between Hong Kong and Shanghai under the Hong Kong Shanghai Economic and Trade Cooperation Conference framework. The major cooperation projects in the past 12 months include the signing of a cooperation agreement between the Airport Authority Hong Kong and Shanghai Airport Authority in October 2009 regarding the formation of a joint management company to oversee the management of the expanded Hongqiao Airport, the signing of a Memorandum of Understanding Concerning Advancing Hong Kong-Shanghai Financial Co-operation between HKSARG and the Shanghai Municipal Government, and the HKSAR's participation in the

Investment Promotion

- 7. The Investment Promotion (IP) Division of SHETO continued to actively promote Hong Kong's investment environment, identify and approach Mainland companies and provide them with free one-stop services to attract them to invest or set up operations in Hong Kong. From June 2009 to May 2010, the IP Division conducted 20 investment promotion visits, met with 266 companies, generated 75 prospective projects and 41 live projects. During this period, 9 projects were successfully completed.
- 8. The IP Division participated in and set up exhibition booths at three trade fairs/fora, namely, 2009 China Yiwu International Community Fair, 11th Zhejiang Investment and Trade Symposium and 2010 Funds China Forum. The IP Division also organised/participated in three seminars/roundtables on Hong Kong's investment environment on 24 August 2009, 10 April 2010 and 16 April 2010 respectively.
- 9. The IP Division also arranged visits to Hong Kong for Mainland officials and business leaders to learn about Hong Kong's latest economic climate and investment environment. These included visits by a Jiangsu entrepreneur group led by the Department of Commerce of Jiangsu Province on 4 August 2009, an Anhui entrepreneur group led by the Bureau of Commerce of Anhui Province on 4 November 2009 and a delegation of Zhejiang entrepreneurs on 23 November 2009.

Public Relations

- 10. SHETO continued to maintain close liaison with the Mainland authorities and provided timely reports to relevant HKSARG bureaux and departments of the latest policies, regulations and measures of concern.
- 11. SHETO arranged meetings with senior Mainland officials and visits to relevant Mainland agencies and institutions for visiting principal and other senior HKSARG officials. These visits included the Chief Executive's visit to Shanghai and Jiangsu Province in April/May 2010 and visits by the Chief Secretary for Administration in July and October 2009, February, March and April 2010, the Secretary for Constitutional and Mainland Affairs in April 2010, the Secretary for Commerce and Economic Development in March, April and May 2010, the Secretary for Development in May 2010, the Secretary for Transport and Housing in July and October 2009, the Secretary for Environment in May 2010, and the Secretary for Home Affairs in June 2010.
- 12. On 22 February 2010, SHETO held a spring dinner reception in Shanghai. About 130 senior officials and representatives of industry and trade organisations and enterprises of Shanghai and the four provinces of Jiangsu, Zhejiang, Anhui and Hubei attended the dinner reception.

Promotional Activities

13. Between December 2009 and January 2010, SHETO organised a roving exhibition in Wuhan of Hubei Province, Hefei of Anhui Province, Nanjing of Jiangsu Province, Shanghai and Hangzhou of Zhejiang Province, to promote Hong Kong, the economic and trade relations and cooperation on other fronts between Hong Kong and these places, the East Asian Games, and HKSAR's participation in the Shanghai Expo.

2010 Shanghai Expo

- 14. The six-month Shanghai Expo officially opened on 1 May 2010, with the theme "Better City, Better Life". HKSAR's participation is extensive, including constructing a Hong Kong Pavilion, participating in the "Urban Best Practices Area" (UBPA) exhibitions and "Online Expo" with the virtual Hong Kong Pavilion and UBPA exhibitions, and organising a series of exhibitions, seminars and cultural performances, the highlight of which is a "Hong Kong Week" that will take place from 18 to 22 October.
- 15. SHETO has been acting as HKSARG's principal liaison point with the Expo organisers on all matters relating to HKSAR's participation. It also offered advice and assisted in relevant publicity and promotion activities held in Hong Kong and Shanghai. For better coordination and more effective deployment of manpower, an HKSAR Expo Affairs Office was formed in March 2010. SHETO works closely with this new setup and the Director of SHETO also assumes the post of the Commissioner of this new office.

Assistance rendered to Hong Kong Residents

16. Between June 2009 and May 2010, SHETO handled 4 assistance cases that concerned economic and trade-related matters, and 14 cases on real estate and other issues, mainly by referring the cases to the relevant Mainland authorities and monitoring development.

Looking Ahead

- The Expo-related work will be the main focus for SHETO for the most part of 2010. The office will continue to provide assistance in the planning and implementation of various publicity and PR activities, and receiving VIP visitors from Hong Kong during the Expo period. At the same time, SHETO will continue to expand its liaison network throughout the region covered, and embark on more targeted trade promotion efforts to help Hong Kong's businesses to further explore the Mainland market. Support of the Mainland government agencies and trade and industry organisations will continue to be enlisted to organise sector-specific trade missions and other business-matching activities. The office will continue to promote Hong Kong in general and more specifically our excellent modern services and investment environment, talent admission schemes, CEPA liberalisation measures, successful implementation of the Basic Law and the principle of "One Country, Two Systems", and the HKSAR's participation in the Expo, etc. The IP Division will continue to identify and attract Mainland enterprises to invest, set up operations, or list in Hong Kong.
- 18. With increasing interest in Shanghai's latest development and the Shanghai Expo among Hong Kong's business community, SHETO will endeavour to arrange for business delegations that come for study missions, meetings with local government officials and visits to major projects and institutions, to enable them to better understand Shanghai's latest development.

Hong Kong Economic and Trade Office in Shanghai June 2010

Report on the Work of the Hong Kong Economic and Trade Office in Chengdu

The main functions of the Hong Kong Economic and Trade Office in Chengdu (CDETO) are (a) to promote economic and trade cooperation and ties between the Hong Kong Special Administrative Region (HKSAR) and the five provinces of Sichuan, Yunnan, Guizhou, Hunan, Shaanxi and the Municipality of Chongqing, to provide support to Hong Kong enterprises and to attract Mainland enterprises to invest in Hong Kong; (b) to promote Hong Kong and to enhance liaison and communication between the HKSAR and the above places; and (c) to provide suitable assistance to Hong Kong residents in need.

Commercial Relations

- 2. With a view to providing support to Hong Kong enterprises operating or intending to operate in the region covered, CDETO organised and participated in various economic and trade activities such as exchanges and visits, and also maintained close liaison and exchange with the relevant government departments and public bodies. Besides, CDETO disseminated the latest economic and trade policies and information in the region to the relevant government departments in Hong Kong, chambers of commerce in Hong Kong and Hong Kong enterprises through website and monthly newsletters.
- 3. During the reporting period, CDETO's major events included the "Chongqing-Hong Kong Week" jointly organised with the Chongqing Municipal People's Government in July 2009. Activities promoting economic and trade ties in the Week included a CEPA seminar and site visits. A Hong Kong trade delegation of 120 members from different sectors including logistics, banking, accounting, retail and real estate participated in the "Chongqing-Hong Kong Week".
- 4. In September 2009, CDETO organised an Optoelectronics study mission to Shaanxi Province, and held an Optoelectronics Forum there. In December 2009, CDETO assisted in arranging a Hong Kong trade delegation of more than 90 members, led by the Chief Secretary for Administration, to visit Sichuan Province.
- 5. CDETO and the Department of Commerce of Sichuan jointly commissioned the research on "Development of Logistics Sector in Sichuan and Sichuan-Hong Kong Cooperation" in August 2009. The research is expected to be completed in the first half of 2010. CDETO and the Department of Commerce of Sichuan will hold a joint press conference to release the research findings.

Investment Promotion

- 6. CDETO continued to provide Mainland enterprises with a wide range of services to facilitate their business development in Hong Kong. CDETO also devoted much efforts in deepening their understanding of Hong Kong's advantages and attracting them to invest in Hong Kong. During the reporting period, CDETO visited 198 Mainland enterprises, initiated 6 new projects and completed 2 projects. Moreover, CDETO generated 23 prospective projects in the period, and assistance was provided to these enterprises in establishing operation in Hong Kong.
- 7. CDETO, in collaboration with Invest Hong Kong and Chongqing Foreign Trade and Economic Relations Commission, organised a seminar on "Hong Kong Your Platform

to Go Global" in the "Chongqing-Hong Kong Week" in July 2009. In September 2009, Invest Hong Kong, in collaboration with Department of Outward Investment and Economic Cooperation in the Ministry of Commerce as well as the Economic Affairs Department of the Liaison Office of the Central People's Government in the HKSAR, organised a seminar on "Hong Kong – Your Platform to Go Global" under the "On Your Marks, Get-Set, Go!" campaign in Sichuan Province. The events sought to update Mainland enterprises on Hong Kong's business environment and appealed to them to utilise Hong Kong's resources and advantages as a platform to tap the international market. Representatives from more than 150 enterprises attended the two events.

8. During the reporting period, CDETO also organised and participated in other investment promotion activities to enhance its liaison with Mainland enterprises. They included a roundtable on "Listing in Hong Kong" held in the Municipality of Chonqging in July 2009, a seminar on "Exploring International Opportunities for Traditional Chinese Medicine" held in Sichuan Province in September 2009, as well as a workshop on "Exploring International Opportunities in Hong Kong for Electronics Companies" held in Sichuan Province in January 2010. CDETO also participated in the "9th China Western Region International Economic Cooperation Fair" held in Shaanxi Province in April 2010. Moreover, CDETO maintained close working relationship with the government departments and trade and industry organisations in the region covered in order to strengthen the liaison network.

Public Relations

- 9. Through official visits and participating in various types of conferences and trade fairs, CDETO continued to promote its role as a bridge between the HKSAR and the Mainland among government departments and the public in the region covered. CDETO also maintained close liaison with the media, and introduced its latest developments to the Mainland media through interviews, press conferences, briefing sessions and media gatherings.
- 10. During the reporting period, CDETO participated in large-scale trade fairs and held exhibitions to introduce its work, to promote Hong Kong's hosting of the 2009 East Asian Games and Hong Kong's advantages in investment and business. CDETO set up booths in the "17th China Import and Export Fair" held in Yunnan Province in June 2009, and the "10th Western China International Economy and Trade Fair" held in Sichuan Province in October 2009. Exhibitions held included booths in the "Chongqing-Hong Kong Week" in July 2009, and the "Exhibition in Sichuan Tertiary Institutes" series held within the campus of several universities in Sichuan Province in September 2009.
- 11. In late 2009, CDETO assisted the Chengdu TV Channel in the production of a programme named 《這裏是成都》《問道香港》, a series reporting the 2009 East Asian Games. The programme aimed at demonstrating Hong Kong as an international metropolis, and reporting its developments and latest ideas in various aspects including economics, culture and sports. Hong Kong's experience in hosting the 2009 East Asian Games was also featured. The programme was screened in early December 2009 and attracted around 700,000 viewers.
- 12. During the reporting period, the media conducted a number of interviews with CDETO. CDETO also organised several media gatherings, including a media sharing session for the Chief Secretary for Administration during his visit to Sichuan Province in December 2009. The Chief Secretary for Administration shared with the Sichuan media on the news of and the preparation works for Hong Kong's hosting of the 2009 East Asian Games.

Support to post-earthquake reconstruction works in Sichuan Province

- 13. During the reporting period, CDETO continued to play an active role in enhancing liaison between the HKSAR Government and the Sichuan Provincial Government in taking forward the post-earthquake reconstruction works in Sichuan Province supported by the HKSAR. CDETO also provided support to the three-tier coordination mechanism agreed between the two governments in holding regular meetings on reconstruction matters.
- 14. Effective support was provided to a number of visits by Principal Officials from Hong Kong to Sichuan Province, including two visits by the Chief Secretary for Administration in July and September 2009, as well as a visit by the Secretary for Justice in August 2009. CDETO also assisted in arranging a visit by the Legislative Council members in September 2009. CDETO acted as a facilitator in the process to enable incoming visitors to have better understanding of the needs in the stricken areas and the progress of the reconstruction projects funded by the HKSAR.
- 15. Furthermore, CDETO provided effective support to the leading government bureaux, departments and independent technical consultants engaged by the HKSAR Government on matters such as meetings with the relevant departments of Sichuan Provincial Government and project owners, and site visits to the construction sites in Sichuan Province for monitoring project progress. In this area, CDETO liaised closely with Sichuan counterparts to ensure that Hong Kong visiting parties can discharge their monitoring duties effectively.

Assistance rendered to Hong Kong residents

16. During the reporting period, CDETO received 19 assistance cases. Depending on the circumstances, CDETO made referrals to the relevant Mainland government departments for follow up in accordance with the established procedures, and monitored developments.

Looking ahead

17. With a view to providing support to Hong Kong enterprises operating or intending to operate in the region covered, to promoting Hong Kong as the best investment destination for Mainland enterprises, and to enhancing exchange and cooperation between the HKSAR and the Mainland in different aspects, CDETO will continue to enhance liaison with the government departments and other organisations in the region covered through organising and participating in various promotional and economic and trade activities. With regard to the support to post-earthquake reconstruction works in Sichuan Province, CDETO will continue to assist in the day-to-day liaison with the relevant departments of Sichuan Provincial Government and project owners to monitor progress of the reconstruction projects, identify problem issues in early stage and devise remedies.

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