

Legislative Council Panel on Commerce and Industry

2016 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. Panel paper on policy initiatives relating to electoral arrangements, human rights and promotion of the Basic Law has been submitted to the Panel on Constitutional Affairs for discussion.

Our vision

2. As an international financial, transportation and trade centre, and with our strengths in institutional arrangements, Hong Kong can continue to play an active role in the economic development and opening up 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 continue to advance cooperation with the Mainland in various areas by capitalising on the enormous growth opportunities arising from the implementation of the National 13th Five-year Plan. On Hong Kong-Taiwan relations, we will strive to promote co-operation and exchanges with Taiwan through the existing platforms.

3. The new initiatives we will pursue and the on-going initiatives we will continue to implement are highlighted as follows –

New initiatives

- (a) Further enhancing the network and functions of the Mainland Offices through the setting up of more liaison units, the establishment of a new Immigration Division and the deployment of dedicated staff for handling cultural

matters;

On-going initiatives

- (b) actively co-ordinating the implementation of the policy initiatives related to Hong Kong pursuant to the promulgation of the Outline of the National 13th Five-year Plan (“the Outline”) this year;
- (c) deepening regional co-operation through our co-operation mechanisms with the Pan-Pearl River Delta (“PPRD”) region, the Guangdong and Fujian Provinces, the municipalities of Beijing, Shanghai and Shenzhen, and the Macao Special Administrative Region (“SAR”);
- (d) continuing to co-operate with the Guangdong provincial government as well as the municipal governments of Shenzhen, Guangzhou and Zhuhai to promote the development of Qianhai, Nansha and Hengqin respectively under the principle of “one country, two systems”; and
- (e) taking forward 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

Network and Functions of the Mainland Offices

4. The HKSAR Government strives to enhance the functions and network of our Mainland Offices to enhance government-to-government (G2G) work and provide better support for Hong Kong residents and enterprises in seizing the development opportunities in the Mainland. Following the establishment of the Wuhan Economic and Trade Office (“ETO”) in April 2014, the HKSAR Government has a more comprehensive network in the Mainland. At present, a total of five Mainland Offices are established throughout the Mainland, with the

Shanghai ETO in the east, the Guangdong ETO in the south, the Chengdu ETO in the west, the Beijing Office (“BJO”) in the north and the Wuhan ETO in the central region. Moreover, we have established a liaison unit under the BJO in the Liaoning Province and another one under the Shanghai ETO in the Shandong Province in December 2014 and April 2015 respectively, bringing the total number of liaison units under the relevant Mainland Offices to five¹ .

5. To further enhance the network, we plan to set up a total of six additional liaison units to achieve the target of having two liaison units under each Mainland Office (other than in the province or municipality directly under the Central Government where the ETO is located). Currently, there is no liaison unit under the Wuhan ETO. We plan to set up one liaison unit each in the Hunan Province and Henan Province under the Wuhan ETO this year; to be followed by the establishment of other additional liaison units² under the BJO, Shanghai ETO, Chengdu ETO and Guangdong ETO in a progressive manner.

6. On the other hand, we will join hands with relevant bureaux and departments to further enhance the functions of Mainland Offices this year, including setting up an Immigration Division under the Shanghai ETO to provide better support for Hong Kong residents in distress in the Mainland³; and deploying dedicated cultural staff to the BJO to enhance promotion of cultural exchange and co-operation between Hong Kong and the Mainland.

National Five-Year Plans

7. The National 13th Five-year Plan serves as the development blueprint and action agenda for the Country from 2016-2020. The Proposal on Formulating the National 13th Five-year Plan (the “Proposal”) promulgated by the Central Authorities in November 2015 expressed

1 The five liaison units are the Shandong Liaison Unit under the Shanghai ETO, the Shenzhen and Fujian Liaison Units under the Guangdong ETO, the Chongqing Liaison Unit under the Chengdu ETO and the Liaoning Liaison Unit under the BJO.

2 Currently, there are two liaison units under the Guangdong ETO, located in Shenzhen (of Guangdong Province which is the province where the Guangdong ETO is located) and in Fuzhou (of Fujian Province). The proposed liaison unit will become the third liaison unit under the Guangdong ETO.

3 Currently, the BJO, Guangdong ETO and Chengdu ETO have Immigration Divisions for providing assistance for Hong Kong residents in distress in the Mainland.

clear support for Hong Kong in leveraging on our unique advantages to enhance our role and functions in the Country's economic development and opening up to other countries, as well as in consolidating our status as international financial, transportation and trade centres, and in participating in the Country's two-way opening up and in the "Belt and Road Initiative". At the same time, the Proposal states that the Mainland will step up efforts to further open up its markets to Hong Kong and Macao and expedite development of Guangdong-Hong Kong-Macao co-operation with particular regard to Qianhai, Nansha and Hengqin, etc., and enhance co-operation and exchanges between the Mainland and Hong Kong/Macao in the areas of social policies, livelihood issues, technology, culture, education, environmental protection, etc., as well as deepen regional co-operation in the Pan-Pearl River Delta Region.

8. The Outline will be promulgated in March this year. The Steering Committee on Co-operation with the Mainland, chaired by the Chief Secretary for Administration, will continue to provide the steer to and coordinate with policy bureaux and departments to actively implement the development strategies related to Hong Kong in the Outline. Under the principle of "one country, two systems", Hong Kong will grasp the new opportunities brought about by the National 13th Five-year Plan to consolidate and enhance the HKSAR's advantages and contribute to the long-term development of the Country.

Deepening regional co-operation

9. The HKSAR Government strives to deepen regional co-operation with the Mainland through existing regional co-operation mechanisms with the PPRD region, the Guangdong and Fujian Provinces, the municipalities of Beijing, Shanghai, 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.

Enhancing Co-operation with the PPRD Region

10. The PPRD Regional Co-operation and Development Forum is an important regional co-operation platform comprising nine provinces/autonomous region, the HKSAR and Macao SAR, and representing around one-third of the population and Gross Domestic

Product of the Mainland. Areas of co-operation among the 9+2 provinces/regions cover infrastructure, commerce and trade, financial services, tourism, new and advanced technologies, environmental protection, etc.

11. We will continue to co-ordinate efforts of relevant bureaux and departments to enhance co-operation with the PPRD provinces/regions, making good use of Hong Kong's unique advantages of "one country" and "two systems" and extensive and close connections with the international community to promote development of the PPRD provinces/regions and explore business opportunities for Hong Kong industries.

Hong Kong –Fujian Co-operation

12. Hong Kong and Fujian Province have long enjoyed close ties. The Hong Kong-Fujian Co-operation Conference, which was established in January 2015, has brought exchanges and co-operation between Hong Kong and Fujian Province to a new level. At the meeting, the two sides signed two agreements on strengthening economic and trade co-operation as well as financial co-operation between Hong Kong and Fujian Province with a view to enhancing co-operation in the service industry, assisting Fujian enterprises to explore the overseas market and attract foreign investment, enhancing Hong Kong-Fujian co-operation in the tourism, banking, insurance, securities and accounting services industries as well as the financial market, etc. The governments of the HKSAR and Fujian Province will continue to follow up on various co-operation initiatives under the agreements.

Co-operation with the Guangdong Province

13. The Chief Executive and the Governor of Guangdong Province co-chaired the 18th Plenary of the Hong Kong-Guangdong Cooperation Joint Conference ("HK/GDCJC") in Hong Kong on 9 September last year. At the meeting, both sides reviewed the progress of Hong Kong-Guangdong co-operation over the past year and set the directions for co-operation for the next year in areas including liberalisation of trade in services, innovation and technology, financial services, youth, education, professional services and environmental protection. Both

sides also had in-depth discussion and exchanges on two important topics, namely the “One Belt, One Road” initiatives and the development of the Guangdong Free Trade Zone (FTZ), at the meeting. The two sides considered that Hong Kong and Guangdong should strengthen liaison and co-operation in future, and seize the immense opportunities brought by the “One Belt, One Road” initiatives and the FTZ.

14. The two sides also signed five co-operation agreements after the meeting, including the “Agreement on Exchanges and Co-operation in Food Safety for Hong Kong/Guangdong”; the “Co-operation Agreement between Guangdong-Hong Kong Sister Schools”; the “Agreement on Guangdong/Hong Kong Co-operation on Intellectual Property Protection (2015-16)”; the “Co-operation Arrangement among Guangdong-Hong Kong-Macao Search and Rescue Authorities for Mutual Recognition of ‘Plans for Co-operation between Search and Rescue Services and Passenger Ships’”; and the “Co-operation Agreement on Enhancing Cross-Boundary E-commerce”.

15. CMAB and relevant Government bureaux will continue to implement the various cooperation areas under the Guangdong-Hong Kong Cooperation Framework Agreement. We are now preparing the “2016 Work Plan” (“the Work Plan”) based on the consensus reached on the directions for co-operation in 2016 at the 18th Plenary of the HK/GDCJC. The Work Plan is proposed to be signed by the Chief Secretary for Administration and the Vice-Governor of Guangdong Province at the coming 21st Working Meeting of the HK/GDCJC to be held this year.

Promotion of Nansha, Qianhai and Hengqin development

16. The State Council had promulgated the Master Plans of the Guangdong, Tianjin and Fujian FTZs in April last year. The Guangdong FTZ covers Nansha, Qianhai and Hengqin regions emphasizing on promoting in-depth economic cooperation among the Mainland, Hong Kong and Macao. The three regions of the GDFTZ had also announced their respective implementation plans, which include a number of policies that support Hong Kong people and enterprises. The HKSAR Government will continue to actively support the development of the three regions and has established communication mechanisms with the Guangdong Provincial Government and the Governments of the

Guangzhou, Shenzhen and Zhuhai Municipalities, so as to explore cooperation opportunities in various aspects through capitalizing on the considerable international experience accumulated and the rich pool of professional talents, and thus opening up greater development opportunities for Hong Kong people and enterprises.

Development of Hong Kong –Taiwan relations

17. Hong Kong and Taiwan have been promoting exchanges and co-operation on various public policy areas through ECCPC and the Taiwan-Hong Kong Economic and Cultural Co-operation Council (“THEC”) respectively. The ECCPC-THEC platform has agreed on more than 30 priority areas of co-operation as at today. In the past year, accreditation bodies in the two places signed the Memorandum of Understanding on Cooperation in Accreditation Technologies, thereby launching co-operation related to areas including information sharing, research in new areas, technical support and personnel training. In addition, the Hong Kong Airport Authority and the Taoyuan International Airport Corporation signed a memorandum of understanding to enhance exchanges between the two airports.

18. Our multi-functional office in Taiwan viz. HKETCO will continue to leverage on its local presence to enhance liaison and provide services, forging close ties with key economic, cultural, academic and media organisations as well as Hong Kong people and businesses in Taiwan. HKETCO promotes Hong Kong’s strengths and image through organising and joining various activities (e.g. “Hong Kong Week”), which allow the Taiwan community to appreciate the developments and unique culture of Hong Kong.

Conclusion

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

Constitutional and Mainland Affairs Bureau
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