

**For discussion on
19 December 2017**

**Legislative Council
Panel on Commerce and Industry**

**Proposed creation of directorate posts in the Belt and Road Office,
Commerce and Economic Development Bureau**

PURPOSE

This paper briefs Members on the role and functions of the Belt and Road Office (BRO) of the Commerce and Economic Development Bureau (CEDB) and seeks Members' views on the proposed directorate establishment at BRO.

BACKGROUND AND CONSIDERATIONS

2. The Belt and Road Initiative (B&RI) is one of the most important economic drivers for Hong Kong in the coming years. BRO was set up as a temporary arrangement in August 2016, offering advice to the former Chief Executive on opportunities for Hong Kong under B&RI. In the current-term Government, CEDB has been tasked to lead and co-ordinate the work of the HKSAR Government on B&RI. The Secretary for Commerce and Economic Development (SCED) is steering the work on B&RI, integrating it as part and parcel of his overall portfolio. In face of the substantial opportunities being brought by B&RI and the associated challenges in capturing them, there is a pressing need to reinforce the manpower of BRO to provide high-level leadership in policy co-ordination and strategic platform-building to enable Hong Kong to take a full part in the Initiative, thus bringing new impetus for our economic growth.

Significant Expansion in Scope and Responsibilities of BRO

3. Subsequent to a review on the institutional framework and

arrangements for supporting Hong Kong's participation in B&RI, we consider it necessary for BRO to be made a permanent full-fledged set-up with its leadership strengthened at the directorate level.

4. In tandem with the increasing momentum of B&RI around the world, a proactive multi-pronged approach is being adopted by CEDB with a view to translating the Initiative into tangible benefits for Hong Kong businesses and professionals. The multi-pronged approach encompasses new and expanded remit of work at BRO (see paragraphs 5 to 9), as follows —

- (a) acting as the focal point of liaison with Mainland authorities, official contacts of countries along the Belt and Road, and relevant sectors of Hong Kong businesses and professionals in relation to Hong Kong's participation in B&RI;
- (b) providing policy input into formulation of B&RI related measures and co-ordination amongst bureaux / departments (B/Ds) as well as quasi-government/statutory bodies;
- (c) exploring the establishment of an information sharing platform for Belt and Road projects and facilitating Hong Kong businesses' participation in B&RI;
- (d) initiating and /or (co-)organising programmes, including business forums, visits, exhibitions and trade missions to Mainland cities/countries along the Belt and Road to forge closer economic relationship and seek out collaborative opportunities; and
- (e) enhancing rapport between the Government and business / professional sectors, and working in concert with quasi-government / statutory bodies, chambers of commerce, etc., to promote more targeted business collaboration for connecting interested parties to clinch B&RI related deals.

5. The Government is stepping up co-operation with Mainland authorities in participating in B&RI. BRO has been in close discussion with the National Development and Reform Commission (NDRC) on

entering into an “Arrangement between the NDRC and the Government of the HKSAR for Advancing Hong Kong’s Full Participation in and Contribution to the Belt and Road Initiative” (the “Arrangement”) by end-2017 to provide a blueprint for co-operation. It will put forward specific collaboration measures, covering various areas such as finance, infrastructure, economic and trade facilitation, people-to-people bonds, project interfacing and dispute resolution, as well as the Guangdong-Hong Kong-Macao Bay Area development. The liaison and co-ordination roles between Mainland authorities and B/Ds in the HKSAR Government will be borne by BRO.

6. Besides, to facilitate Hong Kong businesses’ effective participation in B&RI, BRO will look into the possibility of establishing an information sharing platform on the Belt and Road projects so that enterprises will have a better grasp of relevant information to facilitate more effective project interfacing and enterprise collaboration. This may include the collaboration with the Hong Kong Trade Development Council (TDC) on enhancement to its existing Belt and Road Portal. BRO’s work in respect of studies and research will also be strengthened.

7. Furthermore, CEDB will bolster its external relations efforts and enhance co-operation at both government and industry/sector levels. This task will also be joined by TDC through its global network and our overseas Economic and Trade Offices (ETOs)¹. BRO will also work together with relevant B/Ds and strategic partners, i.e. chambers of commerce, professional associations, quasi-governments/statutory bodies, etc., to promote Government-to-Government (G2G) and Government-to-Business (G2B) exchanges as well as Business-to-Business (B2B) collaboration for exploring new markets.

8. TDC will be an important strategic partner of BRO on Belt and Road collaborative efforts. The Government will enhance TDC’s role in its promotion of and participation in B&RI. It will organise more trade missions to countries along the Belt and Road for identifying business opportunities, and efforts will also be made to strengthen its

¹ The Government shall continue to make every effort to broaden our representation in countries along the Belt and Road by setting up new ETOs in those regions /countries with significant B&RI projects.

capabilities in risk profiling research, project scoping and business matching. Of particular note, BRO will continue to co-organise with TDC the annual Belt and Road Summit in Hong Kong, a major platform for Hong Kong to showcase our strengths and to make the best use of opportunities of B&RI. The second Summit held in September 2017 had gained much success and the third Summit is scheduled to take place in June 2018, under possible theme of “Collaborate for Success” to highlight the importance of wider, deeper and closer collaboration among governments and businesses for successful implementation of Belt and Road projects.

9. Efforts will also be made to promote strategic partnership between enterprises in Hong Kong and the Mainland for joint investment in Belt and Road projects and collaborative development of overseas economic and trade co-operation zones. These will include conducting market study on, and trade and investment promotion at priority countries relating to B&RI; as well as providing professional services to enterprises with a view to establishing Hong Kong as the high-end professional services platform for B&RI. A large-scale seminar in Beijing targeting at state-owned enterprises is being planned by BRO (joined by Invest Hong Kong) in conjunction with a chamber of commerce to promote Hong Kong’s edge and its financial and high-end professional services.

PROPOSED DIRECTORATE ESTABLISHMENT

10. The Government’s work on B&RI front remains a priority on a long-term basis. Looking ahead, the future work demand on BRO is bound to increase not only in volume and depth, but also in complexity. We therefore propose the creation of permanent posts of Commissioner for Belt and Road (CBR) and a Deputy Commissioner (DCBR) with effect from 1 April 2018. In addition, a supernumerary Administrative Officer Staff Grade C (AOSGC) post to be designated as Assistant Commissioner (ACBR) initially for five years from 1 April 2018 to 31 March 2023 is also proposed.

CBR

11. B&RI is a national policy in which our participation cuts across a number of key policy areas and requires extensive policy

co-ordination both within and outside the HKSAR Government. Senior directorate leadership is crucial for acting as the HKSAR Government's focal point of contact on B&RI with external stakeholders², entering into strategic dialogues with senior officials and business leaders of countries along the Belt and Road, and establishing strategic collaborative platforms with quasi-government/statutory bodies and different sectors of the community.

12. CBR will spearhead measures and programmes in Hong Kong, and work with related organisations such as chambers of commerce, professional associations, quasi-government/statutory bodies, etc. The post-holder should have a track record of commanding key positions with extensive experience in dealing with the business and professional sectors.

13. CBR is also expected to mobilise various sectors of the community in pursuit of B&RI while maintaining a dedicated overview of Hong Kong's participation in the Initiative. The post-holder will also be expected to represent Hong Kong in the Mainland and the international arena on matters relating to B&RI, meeting with high-level leaders and personalities, and hence the post holder should be an officer who is of sufficient seniority to command respect and confidence both within and outside the Government. The proposed job description of CBR is at **Appendix 1**.

14. The post-holder of the CBR post will report to the Permanent Secretary for Commerce and Economic Development (Commerce, Industry, and Tourism) (PSCIT), and through him to SCED. Having policy responsibilities to assist SCED in a wide range of trade and business matters, including external commercial relations, industry and business support, trade facilitation, investment promotion, tourism, etc., PSCIT maintains an overview of the efforts of Commerce, Industry and Tourism Branch of CEDB and its agencies (including Trade and Industry Department, Invest Hong Kong and Tourism Commission) in taking forward B&RI in close synergy with BRO while helping SCED in setting the overall direction for BRO.

² For example, in discussing new initiatives to be taken jointly forward with Mainland authorities, including the NDRC and the Ministry of Commerce, just name a few.

15. Having considered the scope and complexity of the work portfolio, and the significance of B&RI into which high-level input is required, we propose that a new grade and rank of CBR pitched at the level commensurate with a head of department, i.e. D6, be created to ensure that the incumbent has the necessary experience and leadership to work effectively within the top echelon of the government to press ahead long-term strategies and initiatives that span across different key policy areas within the government and has direct access to the key decision makers. In order to trawl from a wider pool of candidates and to tap the talents of the private sector, we propose that CBR will be a permanent post which can be filled by either a civil servant (irrespective of grades) or a non-civil servant.

DCBR

16. DCBR will support CBR in providing policy input in strategy formulation, drawing up B&RI related policy proposals/ measures, as well as developing work priorities and plans for the implementation of B&RI related activities. The post-holder will work with government stakeholders, including different ministries in the Mainland and officials of countries along the Belt and Road, in addition to assisting in co-ordinating efforts amongst various B/Ds. DCBR will suitably represent the HKSAR Government or deputise CBR on B&RI matters at the public arena, including engagement with various stakeholders. DCBR will also assist in overseeing the overall operation of BRO. The proposed job description of DCBR is at **Appendix 2**.

17. Given the importance and complexity of the work involved, we propose that a permanent Administrative Officer Staff Grade B (AOSGB) (D3) post to be designated as DCBR should be created, so that the future post-holder will possess the necessary leadership skills, administrative experience, strategic vision and political acumen to deputise CBR and for being the second senior official in BRO overseeing Hong Kong's participation in B&RI.

ACBR

18. To provide enhanced policy and managerial support to the CBR and DCBR at the initial stage of the operation of BRO as a permanent establishment, we propose that a supernumerary AOSGC (D2) post to be designated as ACBR be created initially for five years till March 2023. ACBR will work in close consultation with CBR and DCBR and assist them in liaising and discussing with relevant B/Ds, stakeholders from different sectors and engaging Mainland/overseas authorities to explore opportunities and facilitate Hong Kong's participation in B&RI projects. In particular, the post-holder will supervise and assist the organisation of B&RI related events. The post-holder will also assist DCBR in managing the daily operation of BRO. The proposed job description of ACBR is at **Appendix 3**. Further requirement of the post beyond March 2023 will be reviewed at a suitable juncture.

Revised Set-up of the BRO

19. From 2018-19 onwards, the number of non-directorate staff of BRO will also be increased from 12 to 23. With the proposed creation of CBR, DCBR and ACBR, BRO will be formalised into a dedicated office supported by 26 staff. An organisation chart of BRO showing its set-up after the creation of all the proposed posts is at **Appendix 4**.

ALTERNATIVES CONSIDERED

20. BRO has been integrated into CEDB from the current-term Government. Following the implementation of B&RI related work as set out above and, at the same time, inter-related efforts in synergy with external commercial relations, industry and business support, trade facilitation, investment promotion, and tourism etc., the overall volume of work by different units in CEDB has been on the increase. We have critically examined whether the duties of the proposed posts can be absorbed by existing directorate officers at D2 level and above at CITB (of CEDB) but found it not feasible. They have been fully engaged in their respective portfolios with increasingly more responsibilities.

FINANCIAL IMPLICATIONS

21. The proposed creation of the permanent posts of CBR (to be filled by either a civil servant (irrespective of grades) or a non-civil servant) and one AOSGB, as well as one supernumerary AOSGC post will incur an additional notional annual salary cost at mid-point of \$7.5 million.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

22. The Standing Committee on Directorate Salaries and Conditions of Service (the “Directorate Committee”) has advised that the grading proposed for the permanent CBR and AOSGB posts would be appropriate. The Directorate Committee also notes the creation of a supernumerary AOSGC post.

ADVICE SOUGHT

23. Members are invited to comment on the above staffing proposal. Subject to Members’ views, we will seek the necessary funding approval from the Legislative Council as appropriate according to established mechanism.

**Commerce and Economic Development Bureau
December 2017**

**Proposed Job Description of
Commissioner for Belt and Road**

- Post Title** : Commissioner for Belt and Road
- Rank** : One-rank grade post at D6/ Non-civil service position at a rank equivalent to D6
- Responsible to** : Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism Branch)

Main Duties and Responsibilities –

1. To formulate overall strategy and spearhead policy in taking forward Hong Kong's participation under the Belt and Road Initiative (B&RI), and to provide strategic advice to the Secretary for Commerce and Economic Development
2. To provide dedicated overview of the Government's strategies and initiatives under B&RI, and to co-ordinate at a key position within the Government on Belt and Road work
3. To act as the Government's focal point of contact with the Mainland/overseas authorities and relevant business/professional sectors of the Hong Kong in pursuit of B&RI
4. To promote Government-to-Government and Government-to-Business connections and to establish strategic platforms with relevant stakeholders to capitalise on the opportunities brought by B&RI
5. To lead the Belt and Road Office to draw up policy proposals and measures in support of Hong Kong's participation in B&RI
6. To promote and enhance connections with the community and to represent Hong Kong in the Mainland and the international arena on matters relating to B&RI

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**Proposed Job Description of
Deputy Commissioner for Belt and Road**

Post Title : Deputy Commissioner for Belt and Road

Rank : Administrative Officer Staff Grade B (D3)

Responsible to : Commissioner for Belt and Road

Main Duties and Responsibilities –

1. To assist the Commissioner for Belt and Road (CBR) in formulating strategies and policy initiatives in taking forward Hong Kong's participation in the Belt and Road Initiative (B&RI), and to provide policy input into overall Government's direction
2. To provide policy support in co-ordination with government bureaux/departments and quasi-government/statutory bodies, and to co-ordinate cross-bureaux /multi-lateral Belt and Road efforts
3. To assist CBR in liaising and discussing with the Mainland/overseas authorities as well as strategic partners and relevant business / professional sectors, etc.
4. To deputise CBR in representing the HKSAR Government on Government-to-Government and Government-to-Business connections and to reach out various business/professional sectors on Hong Kong's participation in B&RI
5. To oversee the overall operation of the Belt and Road Office, including developing work priorities and plans for the implementation of B&RI related activities, as well as matters concerning financial and human resources

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**Proposed Job Description of
Assistant Commissioner for Belt and Road**

Post Title : Assistant Commissioner for Belt and Road

Rank : Administrative Officer Staff Grade C (D2)

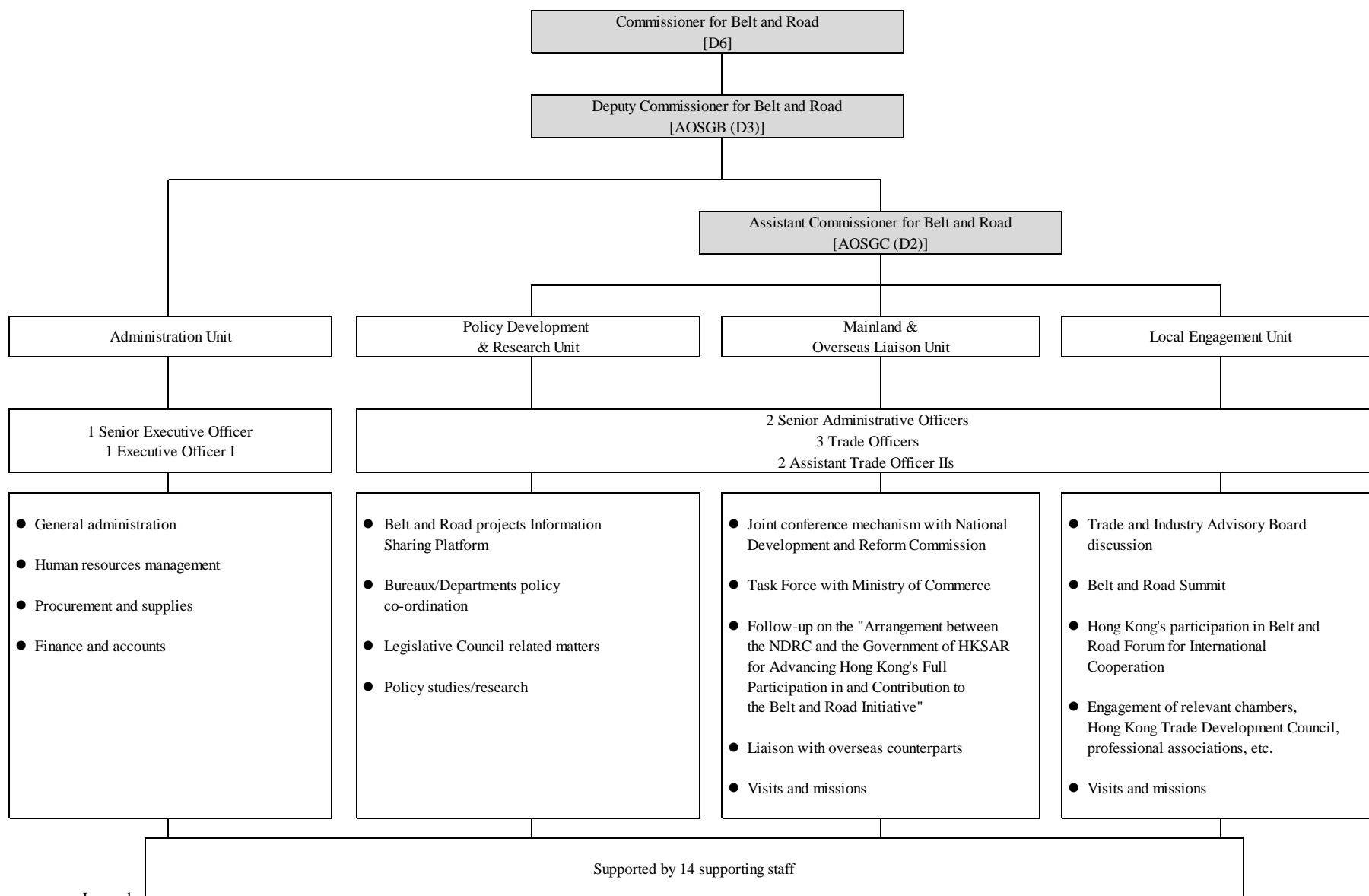
Responsible to : Deputy Commissioner for Belt and Road

Main Duties and Responsibilities –

1. To assist the Commissioner for Belt and Road (CBR) and Deputy Commissioner for Belt and Road (DCBR) in coordinating/implementing measures and programmes under the Belt and Road Initiative (B&RI)
2. To assist CBR and DCBR in liaising with relevant bureaux/departments (B/Ds) and stakeholders from different sectors and engaging Mainland/overseas authorities to explore opportunities and facilitate Hong Kong's participation in B&RI projects
3. To supervise and assist the organisation of B&RI related events, including trade missions, forums, seminars and exhibitions in concerted efforts with quasi-government/statutory bodies, chambers of commerce, professional associations, etc.
4. To support CBR and DCBR in co-ordinating B/Ds' efforts in taking forward B&RI for Hong Kong
5. To manage the daily operation of the Belt and Road Office and the provision of secretariat support as required

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Proposed Organisation Chart of the Belt and Road Office



Legend



Directorate posts to be created