

## **ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE**

**HEAD 96 – GOVERNMENT SECRETARIAT:**

**OVERSEAS ECONOMIC AND TRADE OFFICES**

**HEAD 152 – GOVERNMENT SECRETARIAT:**

**COMMERCE AND ECONOMIC DEVELOPMENT  
BUREAU (COMMERCE, INDUSTRY AND TOURISM  
BRANCH)**

**Subhead 000 Operational expenses**

Members are invited to recommend to Finance Committee the following proposals –

**Government Secretariat: Overseas Economic and Trade Offices**

- (a) the creation of the following permanent directorate post in the new Hong Kong Economic and Trade Office in Bangkok with immediate effect upon approval of the Finance Committee –

1 Administrative Officer Staff Grade C  
(D2) (\$171,200 - \$187,150)

- (b) the creation of the following permanent directorate post in the new Hong Kong Economic and Trade Office in Dubai with effect from 1 April 2019, or with immediate effect upon approval of the Finance Committee, whichever is later –

1 Administrative Officer Staff Grade B  
(D3) (\$199,050 - \$217,300)

**Government Secretariat: Commerce and Economic  
Development Bureau (Commerce, Industry and  
Tourism Branch)**

- (c) the creation of the following permanent post in the new Economic and Trade Office Policy Division with immediate effect upon approval of the Finance Committee –

1 Administrative Officer Staff Grade C  
(D2) (\$171,200 - \$187,150)

**PROBLEM**

We need directorate staff to head respectively the new Hong Kong Economic and Trade Offices (ETOs) to be set up in Bangkok and Dubai in order to strengthen the Hong Kong Special Administrative Region (HKSAR)'s representation in the Association of Southeast Asian Nations (ASEAN) region and the Middle East. We also need additional support at the directorate level in the Commerce, Industry and Tourism Branch (CITB) of the Commerce and Economic Development Bureau (CEDB) to take forward the initiative of expanding Hong Kong's external network and strengthening policy support for the overseas ETOs.

**PROPOSAL**

2. We propose that the following posts be created with immediate effect upon approval of the Finance Committee (FC) –

- (a) an Administrative Officer Staff Grade C (AOSGC) (D2) post to head the new Bangkok ETO;
- (b) an AOSGC (D2) post to head the new ETO Policy Division in CITB; and

the following post be created with effect from 1 April 2019 or with immediate effect upon approval of the FC, whichever is later –

- (c) an Administrative Officer Staff Grade B (AOSGB) (D3) post to head the new Dubai ETO.

**/JUSTIFICATION .....**

## JUSTIFICATION

### **I. Setting up of the Bangkok and Dubai ETOs**

#### **A. Need for setting up the two new ETOs**

3. The HKSAR Government has a total of 12 overseas ETOs located in Berlin, Brussels, Geneva, Jakarta, London, New York, San Francisco, Singapore, Sydney, Tokyo, Toronto and Washington DC respectively, covering Asia, Australia, Europe and North America, as well as Hong Kong's many major trading and investment partners. The ETOs are the official representatives of the HKSAR Government in countries under their respective coverages. With the exception of the Geneva ETO<sup>1</sup>, the other 11 ETOs handle bilateral economic and cultural matters between Hong Kong and countries under their purviews. The ETOs maintain close contact with local government officials, chambers of commerce, the media, etc., and organise/co-organise with other Hong Kong overseas agencies various promotional activities to publicise the advantages and latest developments of Hong Kong.

4. To consolidate and enhance Hong Kong's status and importance among our trading partners, as well as further explore new business opportunities, an important step is to expand the network of the overseas ETOs. Having considered the potentials of economic development of our trading partners and their economic and trade relations with Hong Kong, we have identified Bangkok (Thailand), Dubai (United Arab Emirates (UAE)), Moscow (Russia), Mumbai (India) and Seoul (Korea) for setting up new ETOs. Taking into account the latest progress of our discussion with the respective governments on the arrangements for setting up the ETOs, we seek Members' support for our proposals to set up the Bangkok and Dubai ETOs.

#### *(i) Bangkok ETO: Strengthening HKSAR's representation in the ASEAN*

5. Over the years, Hong Kong has established close economic and trade relations with ASEAN. ASEAN, as a bloc, is Hong Kong's 2nd largest merchandise trading partner and 4th largest services trading partner. Five out of the ten ASEAN countries are among our top 20 merchandise trading partners, viz. Singapore, Thailand, Malaysia, Vietnam and the Philippines. Following the signing of the Free Trade Agreement and the related Investment Agreement between Hong Kong and ASEAN in November 2017, the HKSAR Government will be able to further strengthen its economic and trade ties with the ten member states of ASEAN to explore the huge business opportunities there. In addition, Hong Kong actively participates in and implements the Belt & Road (B&R)

/Initiative .....

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<sup>1</sup> The Geneva ETO represents Hong Kong, China at the World Trade Organization and the Trade Committee of the Organisation for Economic Co-operation and Development, and is mainly responsible for handling matters in relation to these organisations.

Initiative. The HKSAR Government is committed to strengthening its links with countries along the B&R. Being an important region of the Maritime Silk Road, ASEAN plays an indispensable role in the Initiative. The HKSAR Government therefore considers ASEAN as a priority region for development.

6. At present, the HKSAR Government has two ETOs in the ASEAN region, namely the Jakarta ETO in Indonesia and the Singapore ETO. In view of ASEAN's strong economic potentials and new business opportunities, we consider it necessary to establish a third ETO in ASEAN. Thailand is Hong Kong's 8th largest merchandise trading partner and ranks second among the ASEAN member states in terms of trade in goods with Hong Kong. In Thailand, the potential target business sectors for Hong Kong include information and communication technology, consumer products, transportation, etc. The relevant Thai enterprises will actively expand their business overseas under the B&R Initiative, and there is a strong potential for them to invest or to increase their investment in Hong Kong. We therefore consider Thailand the most suitable country for setting up an additional ETO in ASEAN. We recommend that the ETO be located in Bangkok, the capital of Thailand.

*(ii) Dubai ETO: Expanding HKSAR's economic and trade ties in Middle East*

7. Under the trend of globalisation, we have to establish a wide global network to expand new economic and trade ties. In recent years, the Middle East countries are diversifying their economies. The Middle East is also one of the important regions along the B&R. There are strong potentials for investment from the region, particularly the member states of the Gulf Cooperation Council (GCC) namely the UAE, Bahrain, Kuwait, Oman, Qatar and Saudi Arabia, to come to Hong Kong, particularly going into the fields of fintech, transportation, logistics and advanced manufacturing industries. Strengthening the ties with these countries will help encourage their governments and companies to make more use of Hong Kong's financial services and to use Hong Kong as a financing platform. In particular, there are huge potentials in the Islamic financial market. Strengthening Hong Kong's links with the Middle East countries will help promote the development of Hong Kong's Islamic bond market. Therefore, we consider it necessary to expand Hong Kong's representation and raise its profile in the Middle East region.

8. Hong Kong and the UAE have close trade and economic relations. In 2017, the UAE was Hong Kong's 15th largest merchandise trading partner and the largest among the Middle East countries. Reciprocally, Hong Kong was the UAE's 16th largest merchandise trading partner. The average annual growth rate in bilateral trade between the two places was 3.9% from 2013 to 2017. In the UAE,

/Dubai .....

Dubai not only possesses advantages in business and financial services, tourism, logistics and trade, but is also well known for its rapid infrastructure and construction development. We therefore propose to set up an ETO in Dubai.

## B. Geographical coverage of the ETOs

9. In working out the geographical coverage of the new Bangkok and Dubai ETOs, we have taken into account their respective locations, the commercial and trade relationships between individual countries and Hong Kong, etc., as well as reviewed the coverage of the relevant existing ETOs, so as to make appropriate adjustments in a holistic manner. The proposed country-coverage of the two new ETOs, as well as the revised coverage of the existing Singapore ETO upon the establishment of the Bangkok ETO are as follows<sup>2</sup> (new ETOs are highlighted in bold) –

- (a) **Bangkok ETO**: Thailand, Cambodia, Myanmar and Bangladesh<sup>3</sup>;
- (b) Singapore ETO<sup>4</sup>: Singapore, Laos, Vietnam and India<sup>5</sup>; and
- (c) **Dubai ETO**: Member states of GCC.

## C. Functions of the two new ETOs

10. The main responsibilities of the Bangkok and Dubai ETOs are –

- (a) to handle bilateral matters among Hong Kong and countries under the ETOs' respective purviews;

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<sup>2</sup> We review the coverage of the ETOs from time to time and, having regard to operational needs, make appropriate adjustments.

<sup>3</sup> Hong Kong's trade relationship with Bangladesh has been growing in recent years. In 2017, the bilateral merchandise trade between the two places amounted to HK\$13 billion, and the average annual growth rate between 2013 and 2017 was 2.5%. The bilateral services trade between the two sides amounted to HK\$1.6 billion in 2016, and the average annual growth rate between 2012 and 2016 was 4.4%. Besides, Bangladesh is a B&R country, which will bring huge business opportunities to Hong Kong. Therefore, apart from covering three ASEAN member states, the Bangkok ETO will be responsible for the bilateral matters between Hong Kong and Bangladesh so as to foster Hong Kong's economic and trade interests.

<sup>4</sup> Currently, the Singapore ETO is responsible for the bilateral ties among Hong Kong and six ASEAN countries, namely Singapore, Cambodia, Laos, Myanmar, Thailand and Vietnam, whereas the Jakarta ETO is responsible for the bilateral ties among Hong Kong and Indonesia, Brunei Darussalam, Malaysia and the Philippines and matters between Hong Kong and ASEAN as a whole. The geographical coverage of Jakarta ETO will remain unchanged after the establishment of the Bangkok ETO.

<sup>5</sup> Before the establishment of the Mumbai ETO, the Singapore ETO will cover India as well. The Singapore ETO will also assist in discussion with the Indian Government and carry out preparatory work on the proposed establishment of the Mumbai ETO.

- (b) to liaise closely with government officials, politicians, business and cultural sectors, the media, local communities, etc. to enhance their understanding of Hong Kong and to promote Hong Kong's interests;
- (c) to organise a variety of events to promote the advantages of Hong Kong and raise the profile of Hong Kong in the international arena; and
- (d) to promote economic and trade ties with the markets under the ETOs' respective coverages and attract inward investment to Hong Kong.

#### **D. Proposed establishment of the two new ETOs**

##### *(i) Heads of the ETOs*

11. Having regard to the responsibilities and ranking of the heads of the existing ETOs, we propose that **the head of the Bangkok ETO be pitched at AOSGC (D2) level**, designated as 'Director, Hong Kong Economic and Trade Affairs, Bangkok'. The proposed ranking is the same as that of the head of the Singapore ETO. To ensure consistent alignment of our overall strategies among all member states of ASEAN, the Director of the Bangkok ETO, as with the Director of the Singapore ETO, will report to the Director-General of the Jakarta ETO (an AOSGB (D3) post). The proposed job description for the head of the Bangkok ETO is set out at Enclosure 1.

Encl. 1

12. For the Dubai ETO, the countries to be put under its purview will be member states of GCC, which are not covered by existing ETOs. It will have to focus efforts on contact-making and audience-building work with the political and business sectors in the Middle East region. In addition, member states of GCC are rich in both financial resources and business opportunities for other economies to tap and to collaborate with. A relatively more senior head of the ETO is therefore essential to ensure more ready access to senior local government officials and business contacts. Having regard to the scope and complexity of the responsibilities involved, we consider it necessary to pitch **the head of the Dubai ETO at AOSGB (D3) level**, designated as 'Director-General, Hong Kong Economic and Trade Affairs, Dubai', so as to ensure that the post-holder will possess the necessary leadership skills, administrative experience, strategic vision and political acumen for overseeing the overall operation of the ETO. The head of the Dubai ETO will report directly to Deputy Secretary for Commerce and Economic Development (Commerce & Industry) 1 (DS(CI)1). The proposed job description for the head of the Dubai ETO is set out at Enclosure 2.

Encl. 2

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(ii) *Flexible Ranking System*

13. In June 1991, the FC approved a flexible ranking system to facilitate the posting and retention of directorate heads and deputy heads of overseas ETOs by the Government. Under the system, the Secretary for the Civil Service may exercise delegated authority to create a supernumerary directorate head or deputy head post at a pre-determined higher rank so that the post can be filled by a staff member of the relevant rank. Details and rationale of the system are at Enclosure 3. We propose to also apply the flexible ranking system to the directorate head posts of the Bangkok and Dubai ETOs.

(iii) *Non-directorate staff of the Bangkok and Dubai ETOs*

14. The head of the Bangkok and Dubai ETOs will each be supported by 16 non-directorate staff, comprising four Hong Kong-based officers and 12 locally-engaged (LE) staff. The non-directorate Hong Kong-based officer posts will be filled by officers of the Administrative Officer, Trade Officer, Information Officer and Executive Officer grades. Each ETO will have three units, namely 'Investment Promotion Unit', 'Public Relations and Administration Unit' and 'Commercial Relations Unit', to discharge various duties. The proposed organisation chart of the ETOs is at Enclosure 4.

## **II. Setting up of the ETO Policy Division under CITB**

15. At present, the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) oversees the work of the overseas ETOs with the support of DS(CI)1. The Administration Division headed by Principal Executive Officer (Administration) renders support to the existing ETOs on personnel, financial resources management, general administrative matters, etc., as well as assists in the preparatory work for setting up new ETOs. At the same time, the Administration Division also carries out overall administrative support functions in CITB.

16. In addition to setting up the new Bangkok and Dubai ETOs, CEDB is actively pursuing the proposals to set up new ETOs in Moscow, Mumbai and Seoul respectively. This involves discussion with the respective host governments and/or their Consul Generals (CGs) in Hong Kong on the detailed arrangements, as well as substantial preparatory work. Besides, the expansion of the ETOs' network requires more policy steer and better coordination amongst ETOs to ensure that all the ETOs operate in a coherent manner. Such policy and coordination work requires sustained efforts. With two ETOs established since 1997 and the five proposed ones being pursued, the ETOs' network would have increased from ten ETOs to 17 ETOs. As the Administration Division of CITB should primarily be

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tasked to provide administrative support, including personnel, resources management, etc. to CITB and the ETOs, it is difficult for the existing establishment and manpower of the Administration Division to cover the policy work relating to ETOs, which is increasing in volume as well as complexity. A dedicated policy division with appropriate ranks of staff is proposed to be set up to take on such work.

17. The ETO Policy Division will be mainly responsible for taking the lead in discussing with the host governments (including the respective CGs in Hong Kong) the establishment of proposed overseas ETOs and carrying out related preparatory work; formulating strategies and plans on enhancing the ETOs' network and functions, particularly on external promotion and attracting foreign direct investment; coordinating ETOs' inputs and support to requests from bureaux/departments (B/Ds) on matters under their policy responsibilities; and coordinating ETOs' updates on subjects of relevance to the policy areas of B/Ds.

18. We propose that the Division be headed by an AOSGC (D2) officer, designated as 'Principal Assistant Secretary (ETO Policy)', who will be supported by a Senior Executive Officer and a Personal Secretary I. The proposed job description of the Division head and the organisation chart are at Enclosures 5 & 6 respectively.

## **IMPLEMENTATION TIMETABLE**

19. Our discussion with the Thai Government on setting up the Bangkok ETO, including the privileges and immunities to be given by the Thai Government for the ETO, has been satisfactorily concluded. The Thai Government is going through its internal and legislative procedures to promulgate the related arrangements. To dovetail with the advanced progress of the Thai Government side, we propose that the permanent AOSGC post to head the Bangkok ETO be created with immediate effect upon approval of the FC. We target to commission the Bangkok ETO in early 2019.

20. Separately, the discussion with the UAE Government on the establishment of the Dubai ETO has been in good progress. We aim to conclude the discussion with the UAE Government in the near future, and the Dubai ETO could be the second new ETO to be established after the Bangkok ETO. Having regard to the latest progress of the discussion, we propose that the permanent AOSGB post to head the Dubai ETO be created with effect from 1 April 2019, or with immediate effect upon approval of the FC, whichever is later.



21. For the purpose of engaging LE staff for the Bangkok and Dubai ETOs, we will separately seek FC's approval for the proposed pay scales and the annual pay adjustment mechanism for them.

22. As regards our plan to set up new ETOs in Moscow, Mumbai and Seoul respectively, we will continue to discuss with the relevant governments and/or CGs in Hong Kong on the detailed arrangements. Once we have achieved more substantial progress in our discussion, we will seek Members' support for the creation of the relevant permanent directorate posts for submission to FC for consideration and approval.

23. To cope with the heavy workload related to the discussion with the host governments (including the relevant CGs in Hong Kong) on the detailed arrangements for setting up new ETOs and to further strengthen the functions of the ETOs, we propose that the permanent AOSGC post to head the ETO Policy Division be created with immediate effect upon FC's approval.

#### **ALTERNATIVES CONSIDERED**

24. We have examined and considered it not feasible to redeploy existing resources, including manpower resources at directorate level, in stepping up our trade and economic promotion efforts in ASEAN and member states of GCC, as well as taking up policy matters relating to the ETOs.

25. Although the coverage of the Singapore ETO in ASEAN will be adjusted to cover Singapore, Laos and Vietnam after the establishment of the Bangkok ETO, the head of the Singapore ETO will step up efforts in expanding the ETO's network to more cities so as to develop stronger relations in various areas such as tourism, culture and logistics, and to bring investment opportunities to Hong Kong. Furthermore, the head of the Singapore ETO will handle bilateral trade and economic matters with India before the establishment of the Mumbai ETO, and to assist in the discussion with the Indian Government and to carry out the preparatory work for setting up the Mumbai ETO. Therefore, the head of the Singapore ETO, together with other existing manpower resources of the Singapore ETO, will continue to be fully engaged and cannot be redeployed to the Bangkok ETO.

26. At present, the ETOs' network do not cover the member states of GCC. We have examined the workload of the existing 12 ETOs and concluded that the current manpower resources, including those at directorate level, of each ETO are fully tied up with their own portfolios. Coupled with the need to step up promotional efforts to raise Hong Kong's profile in international arena, we consider that the current manpower resources cannot be redeployed to the Dubai ETO to cover the member states of GCC.

27. We have also examined the workload of all the divisions in CITB and considered that their existing manpower, including directorate staff, has been fully stretched to cover the divisions' heavy work schedules and all the divisions have no room to absorb the duties of the proposed ETO Policy Division. Therefore, we consider it essential to create an AOSGC post to lead the ETO Policy Division, in order to take up the policy formulation work on the expansion of the ETOs' network and enhancement of the ETOs' functions.

## FINANCIAL IMPLICATIONS

28. The proposed creation of directorate posts will bring about an additional notional annual salary cost at mid-point (NAMS) of \$4,710,600 for establishing the Bangkok and Dubai ETOs and \$2,179,800 for setting up the ETO Policy Division, as follows –

Post	NAMS (\$)	No. of Post
<u>Two new ETOs</u>		
(a) <i>Creation of permanent posts</i>		
1 AOSGC post (D2)	2,179,800	1
1 AOSGB post (D3)	2,530,800	1
<b>Total</b>	<b>4,710,600</b>	<b>2</b>
<u>New ETO Policy Division</u>		
(b) <i>Creation of permanent post</i>		
1 AOSGC post (D2)	2,179,800	1
<b>Total</b>	<b>2,179,800</b>	<b>1</b>

29. The additional full annual average staff costs, including salaries and staff on-costs, of the above proposals for the establishment of the two ETOs and the ETO Policy Division are \$6,715,000 and \$3,074,000 respectively.

30. For the non-directorate civil service posts of the two ETOs, as well as the ETO Policy Division as mentioned in paragraphs 14 and 18 above respectively, the NAMS are \$9,654,240 and \$1,513,500 respectively. Their full annual average staff costs, including salaries and staff on-costs, are \$14,251,000 and \$2,242,000 respectively.

31. The estimated one-off set-up cost of the Bangkok and Dubai ETOs is around \$19,400,000. The proposed establishment of the two new ETOs will require a total of additional annual recurrent cost (including staff cost in full) of around \$59,000,000. For the new ETO Policy Division, the estimated one-off set-up cost is around \$1,000,000 and the annual recurrent cost (including staff cost in full) will be around \$4,713,000. We have earmarked sufficient funding provision to meet the cost of the proposals.

## PUBLIC CONSULTATION

32. We consulted the Legislative Council Panel on Commerce and Industry on 17 July 2018. The Panel supported the HKSAR Government's plan to establish five new ETOs in Bangkok, Dubai, Moscow, Mumbai and Seoul respectively, as well as the ETO Policy Division in CITB on a time-limited basis up to 31 March 2021. In supporting the setting up of the Division, the Panel shared our views that there was a need to make sustained efforts to expand the ETOs' network and strengthen the functions of the ETOs. In response to the views of the Panel, we have critically reviewed the then proposed time-limited nature of the Division. In view of the sustained efforts required and the increasing workload involved in the expansion of overseas ETO's network, we consider it necessary to establish the Division on a permanent basis.

## ESTABLISHMENT CHANGES

33. The establishment changes of the civil service posts under Head 96 and Head 152 in the past two years are as follows –

Establishment (Note)	Number of Posts*			
	Existing (As at 1 November 2018)	As at 1 April 2018	As at 1 April 2017	As at 1 April 2016
<b>Overseas ETOs</b>				
A	18 <sup>#</sup>	18	18	18
B	30	30	31	27
C	2	2	2	2
Sub-total for Overseas ETOs	<b>50</b>	<b>50</b>	<b>51</b>	<b>47</b>
<b>CEDB(CITB)</b>				
A	21+(3) <sup>#</sup>	18+(1)	18+(2)	18+(1)
B	78	75	71	59
C	151	146	132	128
Sub-total for CEDB(CITB)	<b>250+(3)</b>	<b>239+(1)</b>	<b>221+(2)</b>	<b>205+(1)</b>
<b>Total</b>	<b>300+(3)</b>	<b>289+(1)</b>	<b>272+(2)</b>	<b>252+(1)</b>

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Note:

- A – ranks in the directorate pay scale or equivalent
- B – non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent
- C – non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent
- \* – excluding supernumerary posts created under delegated authority and all local staff engaged by various overseas ETOs
- () – number of supernumerary directorate posts
- # – as at 1 November 2018, there was no unfilled directorate post in overseas ETOs while there was one unfilled directorate post in CITB.

### **CIVIL SERVICE BUREAU’S COMMENTS**

34. The Civil Service Bureau supports the proposed creation of a permanent AOSGC post and a permanent AOSGB post to head the Bangkok and Dubai ETOs respectively, as well as the proposed creation of a permanent AOSGC post to head the ETO Policy Division in CITB. The grading and ranking of the posts are considered appropriate having regard to the level and scope of responsibilities required.

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

35. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the three directorate posts would be appropriate if the posts were to be created.

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Commerce and Economic Development Bureau  
November 2018

**Proposed Job Description for Head of  
the Hong Kong Economic and Trade Office (ETO) in Bangkok**

**Post Title** : Director, Hong Kong Economic and Trade Affairs, Bangkok

**HKETO** : Bangkok

**Rank** : Administrative Officer Staff Grade C<sup>1</sup>

**Responsible to** : Director-General, Hong Kong Economic and Trade Affairs,  
Jakarta

**Main Duties and Responsibilities –**

- (1) To facilitate the economic and trade interests of Hong Kong in the countries under the ETO's purview, namely Thailand, Bangladesh, Cambodia and Myanmar<sup>2</sup>.
- (2) To deepen and widen the scope of bilateral ties among Hong Kong and countries under the ETO's purview through cooperation with governments, business communities, the media, think tanks, academia, etc.
- (3) To expand our network of contacts through speaking engagements, promotional activities, cultural events, publicity work, etc.; and to introduce the latest developments in Hong Kong to important decision makers and various stakeholders in countries under the ETO's purview.
- (4) To promote and attract foreign direct investment, and the enterprises of the relevant countries to set up or expand their businesses in Hong Kong.
- (5) To plan, organise and provide logistical support for the visits of Hong Kong government officials and business delegations to countries under the ETO's purview; and to advise on visit programmes for government officials, sponsored visitors and business delegations from countries under the ETO's purview to visit Hong Kong.

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<sup>1</sup> The post may be filled by an Administrative Officer Staff Grade B officer under the flexible ranking system.

<sup>2</sup> The coverage of the ETO may be adjusted having regard to operational needs.

- (6) To keep abreast of important socio-cultural, economic and political developments in countries under the ETO's purview, and provide relevant bureaux/departments (B/Ds) with regular updates on subjects of interest to Hong Kong; and to gather information at the request of B/Ds and provide inputs for policy formulation and legislative reviews in Hong Kong.
- (7) To provide support for the negotiation of the bilateral Free Trade Agreements, if necessary.
- (8) To oversee the overall operation of the Bangkok ETO.

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**Proposed Job Description for Head of  
the Hong Kong Economic and Trade Office (ETO) in Dubai**

**Post Title** : Director-General, Hong Kong Economic and Trade Affairs,  
Dubai

**HKETO** : Dubai

**Rank** : Administrative Officer Staff Grade B<sup>1</sup>

**Responsible to** : Deputy Secretary for Commerce and Economic Development  
(Commerce & Industry)<sup>1</sup>

**Main Duties and Responsibilities –**

- (1) To facilitate the economic and trade interests of Hong Kong in the member states of Gulf Cooperation Council, namely the United Arab Emirates, Bahrain, Kuwait, Oman, Qatar and Saudi Arabia<sup>2</sup>.
- (2) To deepen and widen the scope of bilateral ties among Hong Kong and countries under the ETO's purview through cooperation with governments, business communities, the media, think tanks, academia, etc.
- (3) To expand our network of contacts through speaking engagements, promotional activities, cultural events, publicity work, etc., and to introduce the latest developments in Hong Kong to important decision makers and various stakeholders in countries under the ETO's purview.
- (4) To promote and attract foreign direct investment, and the enterprises of the relevant countries to set up or expand their businesses in Hong Kong.
- (5) To plan, organise and provide logistical support for the visits of Hong Kong government officials and business delegations to countries under the ETO's purview; and to advise on visit programmes for government officials, sponsored visitors and business delegations from countries under the ETO's purview to visit Hong Kong.

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<sup>1</sup> The post may be filled by an Administrative Officer Staff Grade B1 officer under the flexible ranking system.

<sup>2</sup> The coverage of the ETO may be adjusted having regard to operational needs.

- (6) To keep abreast of important socio-cultural, economic and political developments in countries under the ETO's purview, and provide relevant bureaux/departments (B/Ds) with regular updates on subjects of interest to Hong Kong; and to gather information at the request of B/Ds and provide inputs for policy formulation and legislative reviews in Hong Kong.
- (7) To provide support for the negotiation of bilateral Free Trade Agreements, if necessary.
- (8) To oversee the overall operation of the Dubai ETO.

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**Flexible Ranking System  
for the Hong Kong Economic and Trade Offices (ETOs)**

In June 1991, the Finance Committee (FC) of the Legislative Council, after considering EC 1991-92 Item 18, gave approval for the Government to adopt a flexible ranking system to facilitate the posting and retention of directorate heads and directorate deputy heads to/in the overseas ETOs. Having regard to their role as Hong Kong's official representatives overseas, the directorate heads and deputy heads of the overseas ETOs should be mature and experienced officers with well-honed skills in negotiation, lobbying and public relations. Based on past experience, it could be difficult to attract and retain suitable officers to fill these overseas posts, for example –

- (a) the pool of suitable candidates at the designated ranks of the senior posts of the overseas ETOs is relatively small in view of the special qualities required of them;
- (b) an overseas posting involves disruption to family and social life. In case of married officers, it could also involve loss of income and interruption to the career of working spouses; and
- (c) since the normal duration of an overseas posting is about three years, officers who are selected as directorate heads or deputy heads of the overseas ETOs are often unwilling to accept such postings for fear that they will lose the opportunity to act in a higher rank which they might otherwise be given if they remained in Hong Kong. They also consider that their promotion prospects will be adversely affected if they are denied access to opportunities for acting appointment.

2. The flexible ranking system not only can expand the pool of potential candidates for overseas posts, but also remove a major disincentive for potential candidates by ensuring that officers in overseas posts receive the same opportunities for acting appointments and promotion as their counterparts in Hong Kong.

3. Under this system, the Secretary of Civil Service may exercise delegated authority in the following situations to create supernumerary posts at a pre-determined higher rank held against the permanent directorate head and deputy head posts of the lower rank in the following situations –

- (a) the promotion of an officer during his overseas tour to a rank higher than the rank of the post he currently occupies;

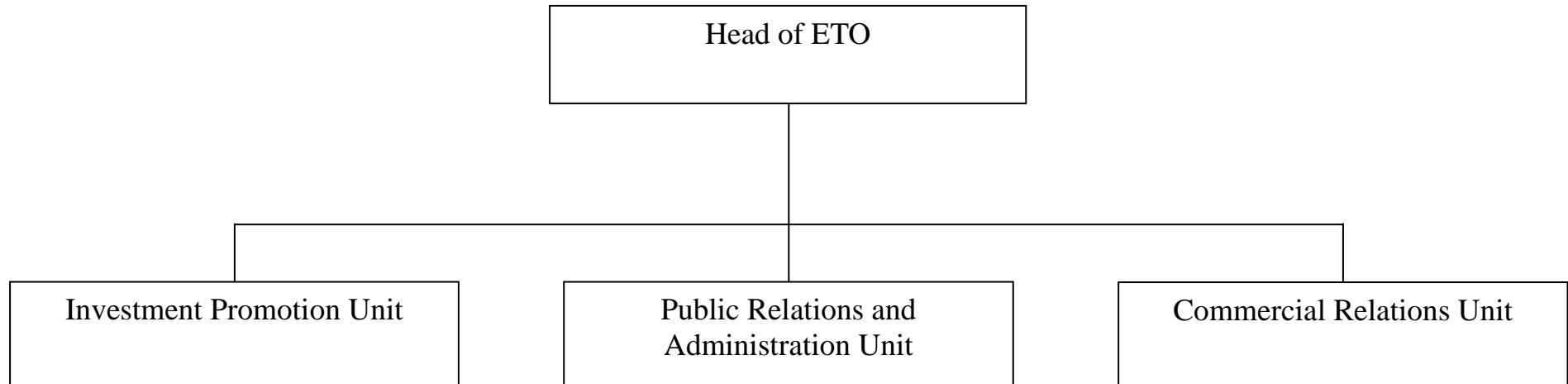
/(b) .....

- (b) the substantive rank of an officer, at the time of accepting the overseas posting, is already higher than the rank of the post in the overseas ETO to which he is posted;
- (c) the appointment of an officer to act in a rank higher than the rank of the post he will occupy on being posted overseas, if it is considered that he would have been offered an acting appointment at that higher rank had he remained in Hong Kong; and
- (d) the appointment of an officer already serving overseas in his own substantive rank to act in the higher rank if, in all likelihood, he would have been offered an acting appointment at the higher rank had he remained in Hong Kong.

4. In June 1996, after considering EC(96-97)10 and the Supplementary Note, the FC approved the extension of the approved flexible ranking system to D6 Heads of the overseas ETOs subject to a set of conditions as set out in the Supplementary Note.

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**Proposed organisation chart of the  
new Economic and Trade Offices (ETOs) in Bangkok and Dubai respectively  
in the Commerce, Industry and Tourism Branch  
of the Commerce and Economic Development Bureau**



**Proposed Job Description for Principal Assistant Secretary  
for the Economic and Trade Office (ETO) Policy Division**

**Post Title** : Principal Assistant Secretary (ETO Policy)

**Rank** : Administrative Officer Staff Grade C

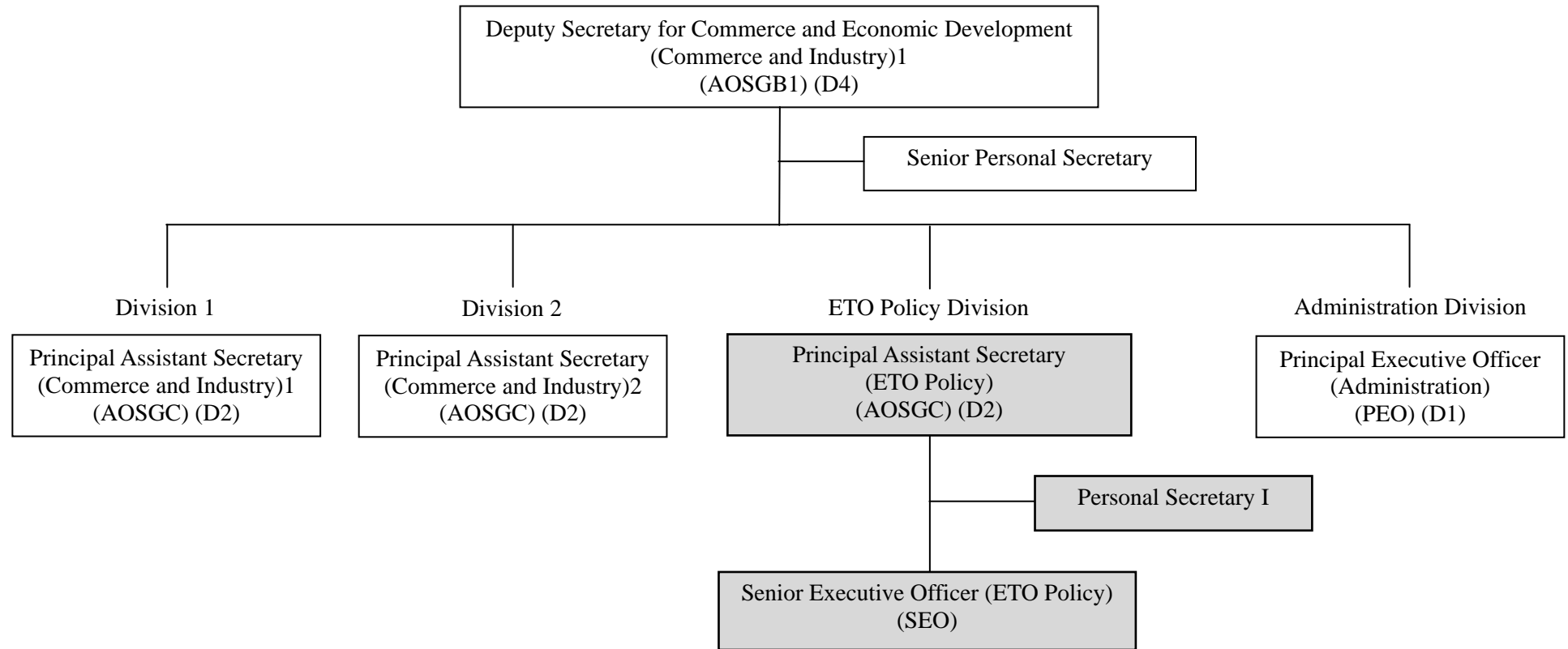
**Responsible to** : Deputy Secretary for Commerce and Economic Development  
(Commerce & Industry)<sup>1</sup>

**Main Duties and Responsibilities –**

- (1) To formulate strategies and plans to implement policy initiatives on enhancement of the network of overseas ETOs; liaise closely with the respective host governments (including the respective Consul Generals in Hong Kong) on the detailed arrangements for setting up new ETOs; and carry out the relevant preparatory work.
- (2) To formulate strategies and plans to implement policy initiatives on enhancement of the functions of the overseas ETOs, including external promotion work and attracting foreign direct investment.
- (3) To formulate strategies and plans for coordinating the work of the overseas ETOs in order to strengthen bilateral relations (including those on economic and cultural areas) with countries under the respective purviews of the ETOs; and step up government-to-government cooperation on various fronts.
- (4) To liaise with relevant bureaux and departments (B/Ds), and coordinate requests for ETOs' inputs and support on respective policy areas for policy formulation and implementation.
- (5) To analyse information related to important socio-cultural, economic and political developments in countries under the respective purviews of the overseas ETOs; and provide relevant B/Ds with updates on subjects of interest to Hong Kong.

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**Proposed Organisation Chart of  
the Economic and Trade Office (ETO) Policy Division  
in the Commerce, Industry and Tourism Branch  
of the Commerce and Economic Development Bureau**



 Proposed posts