

**Legislative Council of the
Hong Kong Special Administrative Region**

**Joint-Panel delegation of
the Panel on Economic Development,
Panel on Financial Affairs, Panel on Commerce
and Industry, and Panel on Information
Technology and Broadcasting**

**Report on the duty visit to the Guangdong-Hong
Kong-Macao Greater Bay Area**

20 to 22 April 2018

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Purpose of the report

1.1 This report presents the findings and observations of the joint-Panel delegation of the Legislative Council ("LegCo") Panel on Economic Development ("EDEV Panel"), Panel on Financial Affairs ("FA Panel"), Panel on Commerce and Industry ("CI Panel") and Panel on Information Technology and Broadcasting ("ITB Panel") ("the Delegation") from its three-day duty visit from 20 to 22 April 2018 to five cities in the Guangdong-Hong Kong-Macao Greater Bay Area ("the Bay Area"), namely Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan, to better understand the development of the Bay Area.

Background and objectives of the visit

1.2 The Bay Area is a city cluster consisting of "nine cities and two regions", i.e. the nine adjoining cities in the Pearl River Delta ("PRD") region, namely Shenzhen, Dongguan, Huizhou, Guangzhou, Zhaoqing, Foshan, Zhongshan, Zhuhai and Jiangmen, as well as the two Special Administrative Regions of Hong Kong and Macao (**Figure 1**). The Bay Area has a land area of approximately 56 000 square kilometres. In 2016, it had a permanent population of around 67.74 million, with a total gross domestic product ("GDP") of around US \$1,387.9 billion and a per capita GDP close to US \$20,500.

Figure 1 — Graphical map of the Guangdong-Hong Kong-Macao Greater Bay Area in 2016



CHAPTER 1 — INTRODUCTION

1.3 In recent years, the development of the Bay Area has attracted much attention and stimulated extensive discussion and research. The State Council formally proposed in the Report on the Work of the Government 2017 to study and formulate a development plan for a city cluster in the Bay Area, signifying that the development of the Bay Area has officially become a national strategy.

1.4 On 1 July 2017, the National Development and Reform Commission and the governments of Guangdong, Hong Kong and Macao signed the Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Bay Area ("the Framework Agreement"). The Framework Agreement, taking into account the industrial strengths of Guangdong, Hong Kong and Macao, identifies the respective division of responsibilities among the three places, and fosters complementary cooperation to achieve a win-win situation. For Hong Kong, its primary goals are to consolidate and enhance its status as international financial, transportation and trade centres; strengthen its status as a global offshore Renminbi ("RMB") business hub and an international asset management centre; promote the development of its professional services and innovation and technology industries; and establish a centre for international legal and dispute resolution services in the Asia-Pacific Region.

1.5 The Framework Agreement further highlights Hong Kong's roles, such as "to leverage the strengths of Hong Kong as an international transportation centre, lead other cities in the Bay Area to jointly build world-class port and airport clusters"; and "to fully leverage the unique advantages of Hong Kong and Macao, deepen cooperation with countries along the 'Belt and Road' in infrastructure connectivity, commerce and trade, financial services, ecological and environmental protection and people-to-people exchanges, and jointly build an important support area for pursuing the 'Belt and Road' Initiative".

1.6 In view of the strategic significance of the Bay Area development to Hong Kong, EDEV Panel and FA Panel agreed on 12 October 2017 to explore the possibility of organizing a joint-Panel duty visit to the Bay Area, so as to better understand the economic and financial initiatives brought forward by the Bay Area development. Subsequently, CI Panel and ITB Panel indicated on 19 December 2017 and 12 February 2018 respectively that they would also like to take part in the visit.

1.7 At the joint meeting on 1 March 2018, members of the four Panels agreed to conduct the aforesaid proposed duty visit to better understand the development of the Bay Area. At its meeting on 23 March 2018, the House Committee gave permission for the four Panels to conduct the visit.

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Membership of the Delegation

1.8 The Delegation comprised the following 32 Members –

Panel members

Hon Jeffrey LAM Kin-fung, GBS, JP
(*Chairman of the EDEV Panel cum Delegation Leader)
Hon WU Chi-wai, MH (*Chairman of the CI Panel)
Hon Charles Peter MOK, JP (*Chairman of the ITB Panel)
Hon Kenneth LEUNG (*Chairman of the FA Panel)
Hon Christopher CHEUNG Wah-fung, SBS, JP
(*Deputy Chairman of the FA Panel)
Dr Hon Elizabeth QUAT, BBS, JP
(*Deputy Chairman of the ITB Panel)
Hon Alvin YEUNG (*Deputy Chairman of the EDEV Panel)
Hon SHIU Ka-fai (*Deputy Chairman of the CI Panel)
Hon CHAN Kin-por, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon YIU Si-wing, BBS
Hon MA Fung-kuok, SBS, JP
Hon Dennis KWOK Wing-hang
Hon Martin LIAO Cheung-kong, SBS, JP
Ir Dr Hon LO Wai-kuok, SBS, MH, JP
Hon Jimmy NG Wing-ka, JP
Hon Holden CHOW Ho-ding
Hon YUNG Hoi-yan
Hon CHAN Chun-ying, JP
Hon LAU Kwok-fan, MH

Non-Panel Members

Prof Hon Joseph LEE Kok-long, SBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon POON Siu-ping, BBS, MH
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Hon Vincent CHENG Wing-shun, MH

*for the 2017-2018 session

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32 members of the Delegation and four Directors of Bureaux pose for a group photo in China Spallation Neutron Source facility

First row, from left: Hon CHAN Kin-por; Hon LEUNG Che-cheung; Hon Michael TIEN Puk-sun; Mr Nicholas YANG Wei-hsiung, Secretary for Innovation and Technology; Hon Paul TSE Wai-chun; Mr Edward YAU Tang-wah, Secretary for Commerce and Economic Development; Mr Patrick NIP Tak-kuen, Secretary for Constitutional and Mainland Affairs; Professor CHEN Yanwei, Director of Dongguan Branch and Deputy Director of Institute of High Energy Physics of the Chinese Academy of Sciences; Hon Jeffrey LAM Kin-fung; Hon Kenneth LEUNG; Mr James Henry LAU Jr, Secretary for Financial Services and the Treasury; Hon Mrs Regina IP LAU Suk-yee; Dr Hon Elizabeth QUAT; Hon Holden CHOW Ho-ding; and Ir Dr Hon LO Wai-kwok

Second row, from left: Mr Andy CHAN Shui-fu, Under Secretary for Constitutional and Mainland Affairs; Hon WU Chi-wai; Hon MA Fung-kuok; Hon HO Kai-ming; Hon Charles Peter MOK; Dr Hon Helena WONG Pik-wan; Hon Kenneth LAU Ip-keung; Hon POON Siu-ping; Hon Martin LIAO Cheung-kong; Hon Steven HO Chun-yin; Hon Christopher CHEUNG Wah-fung; and Hon Vincent CHENG Wing-shun

Third row, from left: Hon LAM Cheuk-ting; Hon CHAN Chun-ying; Hon Alvin YEUNG; Hon Jimmy NG Wing-ka; Prof Hon Joseph LEE Kok-long; Hon YUNG Hoi-yan; Hon Dennis KWOK Wing-hang; Hon LAU Kwok-fan; Hon IP Kin-yuen; Hon SHIU Ka-fai; and Hon YIU Si-wing

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1.9 At the invitation of the Panels, Mr Patrick NIP Tak-kuen, the Secretary for Constitutional and Mainland Affairs, Mr Edward YAU Tang-wah, the Secretary for Commerce and Economic Development, Mr Nicholas YANG Wei-hsiung, the Secretary for Innovation and Technology, Mr James Henry LAU Jr, the Secretary for Financial Services and the Treasury and a number of officials also joined the duty visit. The Delegation was also accompanied by 10 staff members of the LegCo Secretariat, including Mr Matthew LOO, the Assistant Secretary General, Ms Hallie CHAN, Head (Public Information), Ms Shirley CHAN, Clerk to the EDEV Panel, and Mr Daniel SIN, Clerk to the ITB Panel.

Visit programme

1.10 The visit to the Bay Area was conducted from 20 to 22 April 2018. Departing from Hong Kong on the early morning of 20 April, the Delegation visited during its three-day trip five cities in the Bay Area, namely Shenzhen, Dongguan, Zhongshan, Foshan and Guangzhou. Through visits to different enterprises (including new high-tech and start-up businesses), study of the planning of some new development areas, and meetings and exchanges with local government officials, the Delegation learned about the future development directions of those cities and deepened its understanding of the Bay Area. The detailed visit programme is listed below:

20 April 2018 (Friday) (Hong Kong ➡ Shenzhen ➡ Dongguan)	Visit WeBank in Shenzhen to learn about the features and operation of the online-only bank
	Visit the Shenzhen Traffic Police Intelligent Traffic Command Center and receive a briefing by the relevant authorities on the intelligent management of traffic
	Meet with Mr AI Xuefeng, the Vice Mayor of Shenzhen Municipality, and other government officials
	Visit the Huawei Bantian Headquarters to understand its development in innovative technology
	Visit the Songshan Lake Xbot Park in Dongguan to learn about the technological development of the city
	Visit the Songshan Lake Eco-city Science Museum to know about the collaboration projects between Songshan Lake High-tech Industrial Development Zone and Hong Kong
	Meet with Mr XIAO Yafei, the Mayor of Dongguan Municipality, and other government officials

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21 April 2018 (Saturday) (Dongguan ➡ Zhongshan ➡ Guangzhou Nansha ➡ Foshan)	Visit the Spallation Neutron Source facility in Dongguan to understand the relevant advanced science projects and application of scientific research
	Meet with Mr LEI Yuelong, the Vice Mayor of Zhongshan Municipality, and other government officials
	Visit the Tsui Hang New District Planning Exhibition Centre in Zhongshan to understand the development planning of the city
	Observe the Shenzhen-Zhongshan Link West Landing Point (the Link is a key transport infrastructure project connecting eastern Guangdong and western Guangdong)
	Visit Qingsheng transportation hub in Nansha district, Guangzhou, to learn about the development of high-speed rail and road networks
	Visit Lingnan Tiandi in Foshan to know about the old town revitalization project
	Visit Foshan Sanshan New City Guangdong-Hong Kong-Macao Technology Exhibition and Exchange Center, and exchange views with Hong Kong's young entrepreneurs in Foshan
	Meet with Ms YU Jin, the Vice Mayor of Foshan Municipality, and other government officials
22 April 2018 (Sunday) (Foshan ➡ Guangzhou ➡ Hong Kong)	Visit EHang Intelligent Technology Company Limited in Guangzhou to learn about the application of unmanned aircraft
	Participate in a seminar on "Advance the development of the Guangdong-Hong Kong-Macao Greater Bay Area", and receive a briefing by Mr OUYANG Weimin, the Vice-Governor of Guangdong Province, on advancing the Bay Area development in the Guangdong Province
	Meet with Mr CHEN Zhiying, the Executive Vice Mayor of Guangzhou Municipality, and other government officials
	Visit the cultural landmarks in the Zhujiang New Town
	Visit Guangzhou South Railway Station which is a hub connecting the Guangzhou-Shenzhen-Hong Kong Express Rail Link to the national high-speed railway network
	Travel to Futian Station in Shenzhen by high-speed rail, and then return to Hong Kong by coach

Overview

2.1 Shenzhen, separated from Hong Kong by only a river, is located on the east bank of the Pearl River estuary. The city has a land area of 1 992 square kilometers and, as of the end of 2017, its permanent population stood at 12.53 million. In 1980, Shenzhen was designated as the first special economic zone in China, serving as an "early and pilot implementation" area under the country's reform, opening-up and modernization. In 2017, Shenzhen's GDP was RMB 2,243.8 billion, ranking first among cities in the Guangdong Province. The value of Shenzhen's exports for the same year accounted for 39.2% of the total export value of Guangdong, also ranking first in the province.

2.2 Shenzhen is an important base for high-tech research and development ("R&D") and manufacturing in China. In 2016, its overall R&D expenditure amounted to 4.1% of its GDP, far exceeding the national average. In addition, Shenzhen has attracted a number of renowned high-tech enterprises such as Huawei, ZTE and Tencent to set foot in the city. On the financial services sector, apart from the Shenzhen Stock Exchange, Qianhai Pilot Free Trade Zone was established in Shenzhen in 2015 to serve as a cooperation platform for Hong Kong-Shenzhen financial innovation.

2.3 Under the Outline of the 13th Five-Year Plan for the National Economic and Social Development of the Guangdong Province ("the 13th Five-Year Plan of Guangdong Province"), the positioning of Shenzhen in terms of future development is to become a national economic centre, a national innovative city, a demonstration city for socialism with Chinese characteristics, an international city, a national innovation demonstration zone, an innovation hub for technology and industries, as well as an international innovation hub with global impact.

2.4 The main programme of the Delegation in Shenzhen included visits to WeBank, the Shenzhen Traffic Police Intelligent Traffic Command Center and the Huawei Bantian Headquarters.

2.5 During its stay in Shenzhen, the Delegation met with Mr AI Xuefeng, the Vice Mayor of Shenzhen Municipality, and other government officials to receive a briefing from the leading officials on the latest development of Shenzhen and its role in the development of the Bay Area. Both sides also exchanged views on the policy directions of the cooperation between Shenzhen and Hong Kong and issues related to education and medical services.

CHAPTER 2 — VISIT TO SHENZHEN



The Delegation meets with Mr AI Xuefeng, Vice Mayor of Shenzhen Municipality, and other government officials

Shenzhen Qianhai Weizhong Bank

2.6 The first stop of the Delegation was to visit Shenzhen Qianhai Weizhong Bank ("WeBank"). Headquartered in Nanshan District, Shenzhen, WeBank is co-sponsored by reputable private enterprises such as Tencent Holdings, Baiyeyuan Investment Co. and Liye Group. Upon regulatory approval, WeBank started operating as the first privately-owned bank and the first Internet-only bank on the Mainland in December 2014.

2.7 On the day of visit, the person-in-charge of WeBank briefed Members on the development profile and business operations of the bank. Members note that WeBank, which currently has no brick-and-mortar outlet, offers finance services through money transfer online. In mid-May 2015, WeBank launched "Weilidai" ("微粒貸"), which was a financial inclusion product providing small loans of between RMB 500 and RMB 300,000 to individuals or businesses. WeBank mainly targets at individual consumers and micro-enterprises. No property guarantee is required for the loan and there is no need for the customer to appear personally to complete the application formalities. Face recognition technology is employed for identity authentication and approval of loans is subject to credit assessment taking into account the big data-based credit ratings.

2.8 Members are particularly impressed by WeBank's exploitation of technology to help persons with hearing impairment apply for small loans through visual communication. Some Members point out that the use of Internet real-time data for business operation can help WeBank reduce operating costs and reach out to other hard-to-reach customers of traditional banks, which is inspiring for the development of innovation and technology industries. The operation model of WeBank not only provides a lower financing threshold for enterprises but also can help disadvantaged industries and social groups. Some Members also note that WeBank is fast in approving loan applications (the shortest time taken is within 0.4 second) and its operation model is more innovative when compared to that of traditional banks, which has a good reference value for Hong Kong. Some Members, however, point out that compared to WeBank which is allowed to obtain customer data from different service suppliers, use big data collected through social platforms for financial sector operations and retrieve information using public security system, it will be difficult for financial institutions in Hong Kong to operate in similar ways under the existing privacy and personal data protection regime.



The Delegation visits the headquarters of WeBank in Shenzhen to understand the unique role, development strategy and application of financial technologies of the online-only bank

Intelligent Traffic Command Centre of the Traffic Police Bureau of Shenzhen Public Security Bureau

2.9 In order to gain an overview of the smart city development in Shenzhen, the Delegation visited the Intelligent Traffic Command Centre of the Traffic Police Bureau of Shenzhen Public Security Bureau ("the Centre"). The Centre was completed on 29 October 2000. Its functions include collecting and analyzing information, making decisions which will be conveyed to all levels, performing real-time comprehensive surveillance and giving directions. The Centre serves as a highly efficient, modernized and smart dynamic traffic control nerve-centre for the entire city. The Centre is under the direct supervision of the Traffic Police Bureau whose superior command is the Shenzhen Public Security Bureau Headquarters. The Centre coordinates the duties assigned to traffic police officers of the Shenzhen Traffic Police Bureau, motor vehicles and motorists, and is responsible for road traffic management in the city. It is also vested with the responsibility for all related contingencies of the Bureau, giving directions and arranging deployment of officers, traffic control, processing information, examining and supervising the execution of instructions.

CHAPTER 2 — VISIT TO SHENZHEN

2.10 Members are impressed by the intelligent traffic management system in Shenzhen. They note that the system enables the Shenzhen Traffic Control Centre to observe the traffic condition of the entire city and gain instant access to the location and working condition of each traffic patrol officer, which is essential to implementing comprehensive road monitoring, enhancing emergency response capabilities in dealing with traffic incidents, and easing road traffic congestion. Members also note that the traffic management system could provide real-time information such as parking spaces availability, bringing convenience to the public.

2.11 Some Members consider that the traffic control and surveillance systems concerned, which are more advanced than those in Hong Kong, offer value for money despite the higher cost involved. As regards the feasibility of introducing the relevant surveillance technology into Hong Kong, Members are generally of the view that such technology can hardly be implemented in near future, given the need to go through a lot of procedures and the time required for obtaining approval from LegCo. Pointing out that the people in Hong Kong may not want to have too many surveillance devices mounted on streets, some Members caution that issues relating to protection of personal privacy must be considered when introducing similar traffic surveillance systems into Hong Kong.



Representative of the Intelligent Traffic Command Centre of the Traffic Police Bureau of Shenzhen Municipality briefs the Delegation on the work of the Centre

Huawei Technologies Co., Ltd.

2.12 Apart from transportation, smart city development encompasses a range of different aspects including environmental protection and healthcare. Through the establishment of an information sharing platform, smart city development can enable government departments and social organizations to have mutual access to one another's databases with a view to improving the standards of public services and urban management. To better understand the various technologies applied in the development of smart cities, the Delegation visited the Huawei Campus of Huawei Technologies Co., Ltd. at Bantian in Longgang District, Shenzhen.

2.13 Officially incorporated in 1987, Huawei Technologies Co., Ltd. is a private communication technology company which produces and sells communication devices. Its main business is to provide information and communication technology ("ICT") solutions and related products and services to customers. Huawei Technologies Co., Ltd. overtook Ericsson as the world's largest producer of telecommunications equipment for the first time in 2013 and ranked 315th in Fortune 500 companies. As of the end of 2016, Huawei has more than 170 000 employees, and its products and solutions have been applied to more than 170 countries around the world, serving 45 of the world's top 50 operators and one-third of the world's population.

2.14 During the Delegation's visit, representatives of Huawei Technologies Co., Ltd. briefed Members on the application of technologies for smart city in various frontiers such as daily life, energy, waste management, one-stop government services, railroad traffic, aviation, finance, education and healthcare. Members are particularly interested in the technologies developed, including "smart trash bin", application of financial big data to reduce losses from financial fraud, and smart light poles. Members note that the "Safe City" ("平安城市") system developed by Huawei Technologies Co., Ltd. is capable of analyzing the condition at the scenes of major accidents for identifying the best solution.

CHAPTER 2 — VISIT TO SHENZHEN

2.15 Members point out that many of the facilities and systems showcased by Huawei Technologies Co., Ltd. can be applied to Hong Kong to solve various urban management problems. For instance, the company's road monitoring system can help ameliorate traffic congestion. The authorities can also make use of Huawei's technologies for dealing with major accidents to improve the emergency preparedness of government departments by using monitoring systems. Members urge that some ready-made technologies should be applied to Hong Kong as soon as possible so that Hong Kong will not lag behind other places in terms of technology development and urban management.



The Delegation learns about the application of technologies for smart city in the Huawei Bantian Headquarters

CHAPTER 3 – VISIT TO DONGGUAN

Overview

3.1 Dongguan is located on the east bank of the Pearl River and forms part of the middle section of the Guangzhou-Shenzhen-Hong Kong economic corridor. The municipality covers a land area of 2 460 square kilometers and, as of the end of 2017, its permanent population stood at 8.34 million people. In 2017, Dongguan's GDP reached RMB 758.2 billion, and its export value made up about 16.7% of Guangdong's total export value, solely trailing Shenzhen.

3.2 Dongguan is world-famous as a manufacturing base, as well as being one of China's most important export centres. The five pillar industries in Dongguan are electronic information; electrical machinery and equipment; textiles, garments, headwear and footwear; food and beverages processing; and paper making and paper products. On top of that, there are four speciality industries, including toy/stationery/sports supplies; furniture making; chemical products manufacturing; and packaging and printing.

3.3 According to the 13th Five-Year Plan of Guangdong Province, Dongguan will be built into an international manufacturing city, a modern eco-city, an entrepreneurial and innovation base in PRD, a regional hub and a famous city of Lingnan landscape and culture.

3.4 The itinerary of the Delegation in Dongguan comprised mainly visits to Songshan Lake Eco-city Science Museum, China Spallation Neutron Source facility and Songshan Lake Xbot Park in Songshan Lake High-tech Industrial Development Zone ("Songshan Lake High-tech Zone") in Dongguan city.

3.5 During the stay in Dongguan, the Delegation met with Mr XIAO Yafei, the Mayor of Dongguan Municipality, and other government officials to receive a briefing from and exchange views with the leading officials on the situation in Dongguan.

Songshan Lake Eco-city Science Museum

3.6 Songshan Lake High-tech Zone was established in 2001 and upgraded to a national high-tech industrial development zone in 2010. In December 2014, the Municipal Government decided that Songshan Lake High-tech Zone and the adjacent Dongguan Ecological Park be co-developed into a technology centre and innovation centre in Dongguan, adding up to a total area of 103 square kilometers. Songshan Lake High-tech Zone was included in the Pearl River Delta National Independent Innovation Demonstration Zone in 2015, and later became one of the 10 core innovation platforms of the Guangzhou-Shenzhen Science and Technology Innovation Corridor. It is an important

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research and innovation park in Dongguan as well as in the Guangdong Province.

3.7 The Delegation started its trip in Dongguan with a visit to the Songshan Lake Eco-city Science Museum in Songshan Lake High-tech Zone. With the aid of short films and exhibition boards, the person-in-charge of the Science Museum briefed the Delegation on the profile of Songshan Lake High-tech Zone, including its planning and positioning, distribution of industries, the collaboration projects between Guangdong, Hong Kong and Macao, the support policies for Hong Kong youth, etc.

3.8 The Delegation notes that Songshan Lake High-tech Zone focuses on high-end electronic information industry, biotechnology industry, robotics industry, new energy industry and modern service industry. The planning and design concept of the Zone features the coexistence of entrepreneurship and livability, integrating the elements of landscape, water and park into one and optimizing the urban ecological environment.

3.9 Under the special arrangement of the Science Museum, representatives of Hong Kong-owned enterprises interacted and exchanged views with members of the Delegation. They also introduced their products and shared their entrepreneurial experience with members of the Delegation. According to the Science Museum, there are currently about 128 Hong Kong-owned enterprises in the park with a registered capital of RMB 26 billion.



The Delegation receives a briefing on Songshan Lake High-tech Zone in Songshan Lake Eco-city Science Museum in Dongguan



The Delegation views the products of Hong Kong-owned enterprises displayed in Songshan Lake Eco-city Science Museum

China Spallation Neutron Source

3.10 The China Spallation Neutron Source ("CSNS") is a large-scale national scientific facility located at Songshan Lake High-tech Zone. The CSNS project commenced construction in 2011 and is co-built by the Chinese Academy of Sciences and Guangdong Province with an investment of RMB 2.3 billion in total. The Delegation notes that the project is the largest science facility on the Mainland and also the world's fourth pulsed spallation neutron source ("SNS"), following the other three facilities in the United Kingdom, the United States and Japan.

3.11 Apart from watching video clips and receiving detailed presentations from relevant experts, the Delegation saw for themselves the tunnel installation, the control centre and the spectrometer hall of CSNS to learn about the operation of that advanced science project and its applications. The Delegation notes that SNS is a scientific research facility used to study neutron properties and detect the microstructure and motion of matter. The facility, which can be likened to a "super microscope", helps foster the development of various academic disciplines such as physics, chemistry, life science, materials science, nanoscience, medicine, national defence research and next-generation

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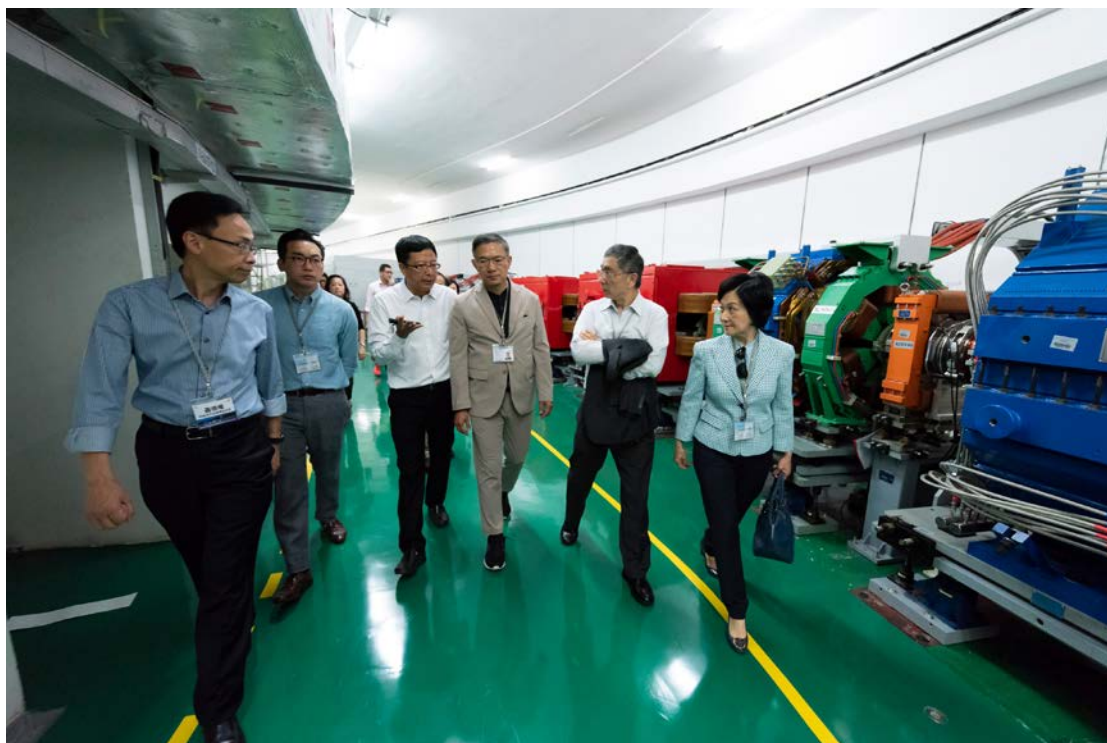
nuclear energy. The Dongguan Municipal Government expects that with CSNS as the core, Songshan Lake Hi-tech Zone can work out plans for the construction of a host of large science facilities, R&D institutions and industrial bases with a view to reinforcing Dongguan's strengths in electronics industry as well as translating scientific research results into applications in such fields as new energy and biomedicine. On the safety aspect, the experts advised that the facility was constructed on the fact that the new-generation accelerators were driven by electrical energy without using any nuclear material, and the radiation could be controlled within the safety level for environmental protection. The amount of radiation to which a person residing in the vicinity of CSNS for one year might be exposed was only equivalent to that of one time of air travel.

3.12 The Delegation considers that CSNS is an important facility for promoting innovation and technology development in the Bay Area, and provides strong support for the future technology development in the Bay Area. The Delegation is delighted to learn that the high-tech facility is open for users from home and abroad free of charge, and considers that the higher education and research institutions in Hong Kong should, leveraging on the geographical advantage of their location in the Bay Area, make proper use of CSNS to enhance Hong Kong's scientific research and foster the development of collaboration projects with the research institutions on the Mainland.



Delegation members learn about the instruments in CSNS through exhibition models

CHAPTER 3 – VISIT TO DONGGUAN



The Delegation visits the rapid cycling synchrotron which is installed
17 metres underground

Songshan Lake Xbot Park

3.13 In view of the increasing manpower cost and recruitment difficulties faced by local manufacturing industry in recent years, Dongguan has introduced the policy of "Replacing Humans with Robots" since 2014 in order to boost the productivity of enterprises. The Songshan Lake High-tech Zone is currently home to 108 robot and intelligent equipment enterprises and three robotics industry clusters. During the trip, the Delegation paid a visit to the Songshan Lake Xbot Park ("Xbot Park"), which is jointly operated and managed by Professor LI Zexiang of the Hong Kong University of Science and Technology and his team. Established in November 2014, the Xbot Park aims to develop the robotics industry and explore the mode of development for new R&D institutions. A Robotics Academy is set up under the Xbot Park to specialize in nurturing talents in the fields of robotics and intelligent hardware as well as providing a startup incubator¹.

3.14 Apart from touring around the exhibition hall in the Xbot Park to get a general picture of the robotics development in Dongguan, delegation members interacted and exchanged views with the representatives of the Xbot Park. The Delegation notes that the Xbot Park attaches much importance to the nurture of talents and has been working closely with the higher education institutions on the Mainland, in Hong Kong and foreign countries in nurturing innovative startup talents for the robotics industry. At present, more than 25 local and overseas robotics startup teams have joined the Xbot Park and are being incubated. Looking ahead, the "Robot Dream Factory" ("機器人夢工廠") under construction by the Xbot Park will come into operation in 2020, which by then will provide more support facilities for developing the robotics industry.

¹ Incubators, also known as high-tech innovation service centres, are companies which offer necessary infrastructure and a series of integrated support services to startups with a view to improving their chances of survival. Infrastructure may include office space and equipment, while integrated support services may cover legal, financial, marketing advisory services, etc.

CHAPTER 3 – VISIT TO DONGGUAN



The Delegation views the exhibits in Songshan Lake Xbot Park

CHAPTER 4 — VISIT TO ZHONGSHAN

Overview

4.1 Zhongshan is located on the west bank of the Pearl River estuary in the central-south part of the PRD region. It has a total area of 1 784 square kilometres. In 2017, it had a permanent population of 3.26 million. Zhongshan's GDP for that year reached RMB 345 billion, and its export value made up about 4.9% of the total export value of the Guangdong Province.

4.2 Zhongshan enjoys advantages in various traditional industries, including home appliance, clothing, electronics, lighting, furniture and hardware manufacturing. In recent years, it also starts to develop new and high technology industries, and has become the advanced city of the assessment of scientific and technological progress and the demonstration city of national intellectual property.

4.3 The 13th Five-Year Plan of Guangdong Province has set out four development positions for Zhongshan, i.e. it will be built into the world-class manufacturing base for modern equipment, the comprehensive transportation hub in the west bank of Pearl River, the regional R&D centre of science and technology innovation, and the livable city in the PRD region.

4.4 The main programme of the Delegation in Zhongshan included visits to the Shenzhen-Zhongshan Link West Landing Point in Zhongshan and Tsui Hang New District Planning Exhibition Centre. The Delegation travelled by coach from Dongguan to Zhongshan via the Humen Bridge, which currently provides the only express link across the Pearl River connecting the east and west banks of the estuary. Since the traffic volume of the bridge has reached saturation, traffic congestion occurs frequently. The Delegation also visited Qingsheng transportation hub in Nansha District, Guangzhou, en route from Zhongshan to Foshan.

4.5 During its stay in Zhongshan, the Delegation met with Mr LEI Yuelong, the Vice Mayor of Zhongshan Municipality, and other government officials to receive a briefing from the relevant leading officials on the situation of Zhongshan. Both sides also shared and exchanged views.

Shenzhen-Zhongshan Link West Landing Point

4.6 The Shenzhen-Zhongshan Link is a key project implemented under the National 13th Five-Year Plan to facilitate the interconnectivity of various industries on the east and west banks of the PRD region and promote the integrated development of a city cluster in the Bay Area. The 24-kilometre long Shenzhen-Zhongshan Link, consisting of a tunnel on the eastern side and a series of bridges on the western side, will connect Shenzhen and Zhongshan, with a landing point in Tsui Hang New District in the eastern coastal region of Zhongshan.

4.7 During the visit to the Shenzhen-Zhongshan Link West Landing Point, relevant persons-in-charge, with the aid of the display boards set up on site, briefed the Delegation on the geographical location of and construction plan for the Shenzhen-Zhongshan Link. The Delegation notes that the main works of the Shenzhen-Zhongshan Link commenced in end 2016 and the link is scheduled for commissioning in 2024. Upon commissioning, it will provide an important access linking the city clusters in eastern and western PRD. As the travelling time between Zhongshan and Shenzhen will then be reduced significantly from 2 hours to 30 minutes, the traffic pressure on the Humen Bridge will be relieved.



The Delegation receives a briefing on the Shenzhen-Zhongshan Link at the west landing point of the link



The Delegation poses for a photo with Mr LIAO Jingshan (back row, ninth from left), the Director General of the Hong Kong and Macao Affairs Office of the People's Government of Guangdong Province

Tsui Hang New District Planning Exhibition Centre

4.8 Following the visit to the Shenzhen-Zhongshan Link West Landing Point, the Delegation immediately proceeded to the nearby Tsui Hang New District Planning Exhibition Centre to learn about the future community planning and development of the landing point of the Shenzhen-Zhongshan Link. The Delegation also received a briefing from the persons-in-charge of the Planning Exhibition Centre on the development of a health industry base and a health pharmaceutical industry in the district.

4.9 The Delegation notes that Tsui Hang New District has a total planned area of about 230 square kilometres and serves mainly to develop cultural industries and innovation technologies. The district is divided into six areas, namely the advanced manufacturing area, the central business area, the culture exchange area, the talent cultivation area, international tourist resorts and the industry transformation and upgrading demonstration area. The development objectives of Tsui Hang New District include the creation of an innovation centre, a multi-industry hub and a focal point for new and high technology enterprises in the Pearl River West by 2022.



The Delegation visits the Tsui Hang New District Planning Exhibition Centre to learn about the planning for the district

Qingsheng transportation hub in Nansha district, Guangzhou

4.10 After completing the trip in Zhongshan, the Delegation departed for Foshan and en route visited Qingsheng Railway Station in Nansha District, Guangzhou, which is one of the stations along the Mainland Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL"). XRL is a high-speed rail link connecting Hong Kong with Guangzhou, Dongguan and Shenzhen in the Guangdong Province. It has seven stations, which are Guangzhou South, Qingsheng, Humen, Guangmingcheng, Shenzhen North, Futian and West Kowloon Terminus (**Figure 2**), spanning 142 kilometres.

Figure 2 – Alignment of XRL



Source: MTR Corporation Limited – Website of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

4.11 The Delegation notes that Nansha District will be developed into a transportation hub and a core district for integrated services in the Bay Area. At the platform on the third floor of Qingsheng High-speed Railway Station, the Delegation received a briefing from the relevant persons-in-charge on the highways and rail networks linking the east and west shores of the Pearl River estuary and the development of Nansha District. From an elevated vantage point on the platform, Delegation members could observe the highways and rail networks in the whole district and feel the speed of high-speed trains pulling past the platform.

CHAPTER 4 — VISIT TO ZHONGSHAN



The Delegation visits Qingsheng High-speed Railway Station in Nansha to learn about the highways and rail networks linking the east and west banks of the Pearl River estuary and the development of Nansha District

Overview

5.1 Foshan is located on the west bank of the Pearl River and, together with Guangzhou, it forms the Guangzhou-Foshan metropolitan circle. The city extends across an area of 3 798 square kilometers. Its permanent population in 2017 stood at 7.65 million, making it the third largest city economy in Guangdong, trailing only Guangzhou and Shenzhen. In 2017, Foshan's GDP reached RMB 955 billion, and its export value made up about 7.5% of Guangdong's total export value.

5.2 A majority of industries in Foshan are privately-owned enterprises. In recent years, Foshan has strived to become a first-tier city for manufacturing in China. It mainly engages in light industries and manufactures a variety of products including household appliances, electronics, textiles, plastics, leather, food, ceramics, clothing, printing products, building materials, metals, machinery, etc. In 2015, Foshan was designated as the national pilot city for comprehensive reform on transformation and upgrading of the manufacturing industry, focusing on developing machinery and equipment, household appliances, textile and garment, food and beverages, etc. In recent years, the city has also developed high technology industries, including high-end new electronic information industry, energy-saving and environmental protection industry, new-energy vehicle industry, etc.

5.3 According to the 13th Five-Year Plan of Guangdong Province, Foshan is to position itself as a first-tier city for manufacturing in China, a leading city for advanced equipment manufacturing in the west bank of the Pearl River, a pioneer city for innovation-driven development, and a model city for implementing the transformation and upgrading of traditional industries.

5.4 The main programme of the Delegation in Foshan included visits to the Guangdong-Hong Kong-Macao Technology Exhibition and Exchange Center at Sanshan New City and an iconic historic heritage revitalization project, i.e. Foshan Lingnan Tiandi. These two projects mark the achievements of Guangdong-Hong Kong cooperation.

5.5 During its stay in Foshan, the Delegation met with Ms YU Jin, the Vice Mayor of Foshan Municipality, and other government officials to receive a briefing from and exchange views with the leading officials on the situation of Foshan.

Guangdong-Hong Kong-Macao Technology Exhibition and Exchange Center at Sanshan New City

5.6 Sanshan New City is a key development of Foshan which serves as a high technology and cultural and creative industries belt. It occupies an area of 23.8 square kilometers adjacent to Guangzhou South Railway Station of XRL. The development of Sanshan New City has been spearheaded by the Government of Nanhai District of Foshan, and companies engaged in high technology and cultural and creative industries have been admitted by the Construction Bureau of Sanshan New City. As of the end of 2017, a total of some 40 projects have been introduced into Sanshan New City with a total investment of about RMB 23 billion. Currently, it has attracted the establishment of a number of large-scale technology and cultural and creative platforms. Besides, high technology industries, such as biotechnology and intelligent equipment, have gained a foothold in the area.

5.7 In July 2017, Sanshan New City announced the construction of "Hong Kong City". According to the plan, "Hong Kong City" covers an area of two square kilometers in the first phase and the area will be built as a Hong Kong-style urban core area. Sanshan New City has planned to invest RMB 200 million in three years to attract Hong Kong enterprises to station in "Hong Kong City".

5.8 Against the background of the launch of the Bay Area initiative, the Guangdong-Hong Kong-Macao Technology Exhibition and Exchange Center of Sanshan New City was built by the Government of Nanhai District of Foshan in collaboration with the Radiant Venture Capital of Hong Kong. Having commenced operation in 2017, it is the first entrepreneurial incubator base for Guangdong, Hong Kong, Macao and overseas. Its objectives include performing the role of a "super-connector", integrating the advantages and resources of Hong Kong, Macao and Foshan, forging a high-end platform, attracting cutting-edge R&D and top talents to the Mainland while promoting local products and services to the world.

CHAPTER 5 — VISIT TO FOSHAN



The Delegation exchanges views with Hong Kong's young entrepreneurs in Foshan

5.9 The persons-in-charge of the Center briefed the Delegation on the planning of Sanshan New City, measures for attracting talents, innovation and entrepreneurial facilities and the business concepts of the Center. Special arrangement was also made for Hong Kong young entrepreneurs to share their experience of starting businesses in Foshan. The Delegation notes that more than 10 teams from Hong Kong and Macao have stationed in the Center. The Hong Kong and Macao teams are mainly lured by the advantageous geographical location of the Center which is in a "one-hour living circle" covering Hong Kong, as well as Foshan's strong industrial base and supporting measures that facilitate entrepreneurship. On the other hand, the property prices and office rentals are lower than those of Guangzhou, Shenzhen and Hong Kong. Considering that entrepreneurs are required to spend huge costs during the initial stage, the Center particularly waives three-month rentals for

CHAPTER 5 — VISIT TO FOSHAN

Hong Kong and Macao entrepreneur teams admitted to the Center so as to mitigate funding pressures on them when they start up on the Mainland.



The Delegation poses for a group photo with the persons-in-charge of the Guangdong-Hong Kong-Macao Technology Exhibition and Exchange Center of Sanshan New City and Hong Kong's young entrepreneurs in Foshan

Lingnan Tiandi

5.10 In the evening, the Delegation also visited Lingnan Tiandi, which is an iconic historic heritage revitalization project of Foshan. The project is supported by the two tiers of government of Foshan and Chancheng District and developed by a private company in Hong Kong. It occupies an area of 65 hectares with Zumiao Temple and the compound of historic buildings in Donghuali as the main development axle. It was refurbished under "like for like" approach with the features of Lingnan architecture retained. Besides preservation of one of the Mainland's most intact compound of historic buildings, elements of modern commerce have been incorporated into the project. The area as a whole has been developed into an integrated district for tourism, leisure, commercial and cultural use.

CHAPTER 5 — VISIT TO FOSHAN

5.11 Guided by the persons-in-charge of Lingnan Tiandi, the Delegation toured along Zumiao Street and walked through the Wine Club, Li Zong Sheng Ancestral Shop, Wong Cheung Wah U-I Oil Ancestral Shop, etc. During the tour, the Delegation was briefed on the heritage conservation and old town renewal in Lingnan Tiandi. The tour ended at the Kan's Villa, the largest, well preserved western-style architecture of the early Republican era and also a provincial-level conserved heritage building in Foshan.



The Delegation visits Lingnan Tiandi to learn about the heritage conservation and old town renewal work



The Delegation members take a photo with Ms YU Jin (third from left), Vice Mayor of Foshan Municipality, at the Kan's Villa

Overview

6.1 As the provincial capital, Guangzhou is the political, economic, technology, education and cultural centre of the Guangdong Province. Covering an area of 7 434 km², Guangzhou had a permanent population of 14.49 million as of the end of 2017. Situated on the northern edge of PRD, Guangzhou is the regional central city and a key transportation and communications hub of southern China. In 2017, its GDP reached RMB 2,150.3 billion, the second largest in the Guangdong Province, and its exports made up 13.7% of Guangdong's total exports.

6.2 Guangzhou's Pilot Free Trade Zone in Nansha is one of the cooperation platforms among Guangdong Province, Hong Kong and Macao, focused mainly on the development of eight industries, namely automotive, electronics, petrochemicals, electrical and thermal energy, electrical appliances and machinery, general and specialized equipment, heavy transport/aerospace equipment and pharmaceuticals.

6.3 According to the 13th Five-Year Plan of Guangdong Province, Guangzhou will be developed into a central city of China, an integrated gateway and a regional centre of culture and education, and become an international shipping, logistics and trade centre with a modern financial service sector, as well as a national innovation centre and international integrated transportation hub.

6.4 The Delegation's programme in Guangzhou mainly comprised visits to EHang Intelligent Technology Company Limited, cultural landmarks in Zhujiang New Town and Guangzhou South Railway Station, which is the hub connecting XRL to the national high-speed rail network.

6.5 During its stay in Guangzhou, the Delegation attended a seminar, themed "Advance the development of the Guangdong-Hong Kong-Macao Greater Bay Area", held by the Guangdong Provincial Government. The Delegation also met with Mr CHEN Zhiying, the Executive Vice Mayor of Guangzhou Municipality, and other officials to gain an understanding of the cooperation opportunities between Guangzhou and Hong Kong in the Bay Area.

CHAPTER 6 — VISIT TO GUANGZHOU

EHang Intelligent Technology Company Limited

6.6 The Delegation set off from Foshan to Guangzhou in the morning to visit EHang Intelligent Technology Company Limited, a high-technology innovative enterprise for intelligent drones headquartered in Guangzhou. The company provides customers in different fields of industry with a wide variety of aerial products and solutions, including autonomous aerial vehicles, smart city command and control centres, networked drones for sector-specific applications, unmanned aerial vehicle autonomous formation flight and delivery drones for logistics.

6.7 Members received a briefing from the company's representative on the latest application technology of intelligent drones (including rideable autonomous drones) and observed a demonstration of the operation of some autonomous drones.





The Delegation poses for a group photo after observing the demonstration of the operation of a rideable autonomous drone at EHang Intelligent Technology Company Limited

Meeting with representatives of the Guangdong Provincial Government and Guangzhou Municipal Government

6.8 The Delegation then attended a seminar, themed "Advance the development of the Guangdong-Hong Kong-Macao Greater Bay Area", held by the Guangdong Provincial Government. The Deputy Director of the Guangdong Provincial Development and Reform Commission, Mr ZHONG Ming, briefed Members on the role and work of the Guangdong Provincial Government in the development of the Bay Area. Members also exchanged views with Mr OUYANG Weimin, the Vice-Governor of Guangdong Province at the seminar on the development of the Bay Area. During the seminar, Members pointed out that the duty visit helped them better understand the respective strengths and positioning of various cities in the Bay Area, and that the development of the Bay Area was set to bring new challenges and opportunities to Guangdong, Hong Kong and Macao. Members also exchanged views with representatives of the Guangdong Provincial Government on a wide range of topics, including technology, finance, professional services, tourism, education and manpower exchange.

CHAPTER 6 — VISIT TO GUANGZHOU

6.9 After that, the Delegation received a briefing from representatives of the Guangzhou Municipal Government on the city planning of Guangzhou to learn about the latest development of Guangzhou. The Delegation also met with Mr CHEN Zhiying, the Executive Vice Mayor of Guangzhou Municipality. Members took the chance to further understand the cooperation opportunities between Guangzhou and Hong Kong in the Bay Area.



The Delegation attends a seminar on "Advance the development of the Guangdong-Hong Kong-Macao Greater Bay Area"



The Delegation meets with representatives of the Guangzhou Municipal Government to exchange views on cooperation opportunities between Guangzhou and Hong Kong in the Bay Area

Zhujiang New Town

6.10 In the afternoon, the Delegation visited the cultural landmarks in the Zhujiang New Town. Members first took a ride on the electric vehicles to tour around the compound of the Zhujiang New Town, including Canton Tower, Guangzhou Library, Guangdong Museum and Guangzhou No.2 Children's Palace.

6.11 The Delegation then visited the Guangzhou Opera House. The Guangzhou Opera House is situated in the centre of the Central Business District of Tianhe, Guangzhou. It is designed by the British architect, Ms Zaha Hadid,² and renowned by architects and stage performers around the world. Many world-class maestros and artistic groups, such as the Berliner Philharmoniker, the Philadelphia Orchestra, the Boston Symphony Orchestra and the Czech Philharmonic Orchestra, have performed in and become contract artists of the Guangzhou Opera House. Members note that *Marco Polo*, the first original opera by the Guangzhou Opera House, is premiered in 2018 followed by a stage run, putting Guangzhou on the world's artistic map. During the visit, Members also had the chance to view part of the stage design of *Marco Polo*.

² Ms Zaha Hadid is also the designer of the Jockey Club Innovation Tower of the Hong Kong Polytechnic University.

CHAPTER 6 — VISIT TO GUANGZHOU



Delegation members take a ride on electric vehicles to tour around the cultural landmarks in the Zhujiang New Town



The Delegation receives a briefing on the Guangzhou Opera House

CHAPTER 6 — VISIT TO GUANGZHOU

Guangzhou South Railway Station for high-speed rail

6.12 The final destination of trip was Guangzhou South Railway Station, where Delegation members saw for themselves the latest development of the high-speed rail network. At the platform, Members received a briefing on the development of the Guangdong Province and the Mainland's overall high-speed rail network (**Figure 3**). In addition, railway personnel also briefed Members on the day-to-day operation of high-speed rail, including the arrangements for ticket purchase and interchange. The Delegation then concluded the visit by taking a ride on the high-speed train from Guangdong South Railway Station to Futian Station in Shenzhen to experience the train journey with speed reaching close to 300 kilometers per hour.

Figure 3 — "Eight Verticals and Eight Horizontals" National High-speed Rail Map



Source: LC Paper No. CB(2)1966/16-17(01)



The Delegation visits Guangzhou South Railway Station to learn about the planning and traffic conditions surrounding Guangzhou South Railway Station and the latest development of the high-speed rail network

CHAPTER 6 — VISIT TO GUANGZHOU



The Delegation concludes the visit by taking a ride on the high-speed train from Guangdong South Railway Station to Futian Station in Shenzhen

CHAPTER 7 — OBSERVATIONS AND CONCLUSIONS

7.1 The Delegation notes that the development of the Bay Area is a national development strategy and one of the key projects to materialize the Belt and Road Initiative. The Bay Area development can enhance cooperation among Guangdong, Hong Kong and Macao so as to achieve advantage complementarity, work division and cooperation, and the goal of jointly building a world-class city cluster across the region.

7.2 The Delegation considers that the development of the Bay Area will certainly bring new challenges and opportunities to Guangdong, Hong Kong and Macao. The duty visit has facilitated members of the Delegation to gain a deeper understanding of the advantages and positioning of various cities in the Bay Area. The Hong Kong Government should do its best in promoting the Bay Area development, and deepen Hong Kong people's understanding in this regard. Hong Kong and its Mainland counterparts must enhance mutual understanding before seeking to complement each other.

7.3 Some members of the Delegation consider that the construction of infrastructure and creation of an efficient traffic circle in the region are prerequisites for development opportunities. While various transportation networks in the Bay Area are being strengthened, it is necessary for Hong Kong to make corresponding transport linkages so as to enhance its transport connectivity with the Mainland.

7.4 The Delegation notes that in recent years, major cities in the Bay Area, such as Zhongshan, Foshan, Dongguan, have been working to develop new and high technology industries alongside with traditional industries and registered certain achievements in a short span of time. In this regard, some members of the Delegation consider that Hong Kong and other cities in the Bay Area are both partners and competitors. Hong Kong must maintain a sense of crisis to enhance its competitiveness.

7.5 The Delegation also notes that in view of the huge demand for talents, the major cities in the Bay Area have successively established platforms for fostering new and high technology cooperation. At the same time, these cities have actively developed R&D facilities and even introduced various preferential measures to attract capitals and talents, particularly young entrepreneurs from Hong Kong, to start businesses in the region and participate in the research and application of new and high technologies. The Delegation takes the view that the availability of a pool of talents is conducive to the development of various sectors and industries, and urges the Hong Kong Government to step up its efforts in training local talents and attracting foreign professionals.

CHAPTER 7 — OBSERVATIONS AND CONCLUSIONS

7.6 Some members of the Delegation consider that Hong Kong still has advantages in terms of legal system, international experience, financial market, professional services, higher education, healthcare and so on, which can tie in with overall development of the Bay Area and make contribution to it. Given that Hong Kong's advantages originate from "one country, two systems" and a sound judicial system, Hong Kong should maintain its uniqueness in order to play to its strengths.

7.7 The Delegation opines that Hong Kong can import the advanced technologies, such as the Internet microfinance products developed by WeBank, for developing innovation and technology industries locally by making reference to the experience drawn upon the Mainland and the ground-breaking mindset of the Mainland. On the other hand, Hong Kong can also benefit from high-tech R&D facilities on the Mainland, such as China Spallation Neutron Source, to promote local scientific R&D.

7.8 Regarding heritage conservation, the Delegation opines that the Hong Kong Government should actively examine ways to identify more development opportunities through revitalizing old districts and historic buildings, thereby boosting local economy and enriching tourism resources.

7.9 On promoting tourism, the Delegation considers that the Hong Kong Government should enhance tourism cooperation and publicity in the Bay Area to develop "multi-destination" tourism products that can achieve complementarity and mutual benefits.

7.10 To encourage Hong Kong people to start businesses and invest in the Bay Area, the Delegation opines that the Hong Kong Government should seek further facilitation measures for Hong Kong people to operate business, live, work, study and retire in the Bay Area. These include market liberalization, enhancement of regulatory regime, taxation arrangements and mutual recognition of professional qualifications.

7.11 The Delegation acknowledges that the duty visit has achieved the expected goals and recommends that the Hong Kong Government explore more opportunities for exchanges and cooperation with various cities of the Bay Area.

ACKNOWLEDGEMENTS

The Delegation would like to express its heartfelt gratitude for tremendous support rendered by the Hong Kong and Macao Affairs Office of the People's Government of Guangdong Province, the People's Government of Guangdong Province, the People's Government of Guangzhou Municipality, the People's Government of Shenzhen Municipality, the People's Government of Dongguan Municipality, the People's Government of Zhongshan Municipality and the People's Government of Foshan Municipality, which was vital to the success of the visit which covered numerous visiting points. The Delegation is also grateful to the various government departments concerned for their generous hospitality and detailed explanations about the development policies of the Bay Area. Under their special arrangement, the Delegation was able to visit a number of financial, high-tech and start-up enterprises, which proved to be extremely useful to the Delegation. The Delegation wishes to express its sincere gratitude to the relevant government departments and receiving parties in the Mainland.

The Delegation would also like to express its sincere thank to Mr Patrick NIP Tak-kuen, Secretary for Constitutional and Mainland Affairs, Mr Edward YAU Tang-wah, Secretary for Commerce and Economic Development, Mr Nicholas YANG Wei-hsiung, Secretary for Innovation and Technology, and Mr James Henry LAU, Secretary for Financial Services and the Treasury, for accompanying the Delegation throughout the journey and participating in the duty visit, thereby enhancing exchanges among various parties. The Delegation also thanks the officials of the Constitutional and Mainland Affairs Bureau and the Hong Kong Economic and Trade Office in Guangdong for their assistance in organizing the visit programme and providing logistical support.



The Delegation poses for a photo with Government officials and Secretariat staff members at Guangzhou South Railway Station

EXPENDITURE OF THE DUTY VISIT

Item	Expenditure chargeable to participating Members' Overseas Duty Visit Accounts (32 Members joined the duty visit) (HK\$)	Expenditure chargeable to the Secretariat's expenditure account (10 Secretariat staff members joined the duty visit) (HK\$)
1. Transportation	22,153	6,237
2. Hotel accommodation (2 nights)	75,717 (2,366 per person)	19,820 (1,982 per person)
3. Meals and sundries allowance	47,399 (1,481 per person)	14,812 (1,481 per person)
4. Other miscellaneous expenses	2,500 ^(note 1)	42,689 ^(note 2)
5. Expenditure on a recce	—	18,680 (four Secretariat staff members joined the recce)
Sub-total	147,769	102,238
TOTAL	250,007 ^(note 3)	

Notes:

1. This mainly included travel insurance expenses for Members.
2. This included work vehicles, tour guiding equipment, telecommunications expenses and travel insurance for Secretariat staff members.
3. As transportation, hotels and some sundry expenses are paid by the Administration in advance, the total expenditure for the duty visit may slightly vary depending on the final expenses charged by the Administration.

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