

CE attends meeting of Leading Group for Development of Guangdong-Hong Kong-Macao Greater Bay Area (with photos/videos)

The Chief Executive, Mrs Carrie Lam, attended the meeting of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area (Leading Group) as a member at the Diaoyutai State Guesthouse in Beijing today (November 6). The meeting was hosted and convened by the Vice Premier of the State Council, Mr Han Zheng, to discuss and plan for priority areas of work for the next stage of the development of the Greater Bay Area. The Secretary for Constitutional and Mainland Affairs, Mr Patrick Nip, and the Director of the Chief Executive's Office, Mr Chan Kwok-ki, sat in on the meeting.

At the meeting, Mrs Lam reported Hong Kong's work since the second plenary meeting of the Leading Group in five key areas, namely innovation and technology, infrastructural connectivity, finance, meteorology and commerce. She also outlined the future work focuses in these areas.

Mrs Lam welcomed the 16 policy measures introduced by the Central Government after the Leading Group meeting, which would benefit people from all walks of life, or facilitate the development of various sectors in the Greater Bay Area. These measures would offer further convenience to Hongkongers developing their careers, working and living in the Mainland cities of the Greater Bay Area, as well as enhance the convenient flow of people, goods and capital within the Greater Bay Area.

The 16 measures are set out below:

Policies and measures benefiting members of the public

1. Facilitating property purchases by Hong Kong residents in the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (Constitutional and Mainland Affairs Bureau)

Hong Kong residents will be treated as local residents in purchasing properties in the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area. They will no longer be required to provide evidence of their duration of residence, study or employment; nor will they have to meet conditions on the payment of individual income tax and social security. This measure will facilitate Hong Kong residents to study, work and reside after retirement on the Mainland.

2. Supporting the use of mobile electronic payment by Hong Kong residents on the Mainland (Financial Services and the Treasury Bureau)

Since last year, Hong Kong e-wallets could be widely used on the Mainland, including the Greater Bay Area, and the number of physical merchants covered and transaction volume have been increasing. To facilitate Hong Kong people to use mobile electronic payment services in the Greater Bay Area, the Hong Kong Special Administrative Region (HKSAR) Government has liaised with Mainland authorities on complementary policy measures. This measure is conducive to fostering the flow of people within the Greater Bay Area, further addressing Hong Kong residents' demand for mobile electronic payment services.

3. Pilot scheme for Hong Kong residents to open Mainland personal bank accounts in the Greater Bay Area remotely by attestation (Financial Services and the Treasury Bureau)

In a risk-controlled and progressive manner, banks in Mainland can open types II or III Mainland personal bank accounts for Hong Kong residents remotely by attestation, through their Hong Kong branches or holding banks within the same holding group, so as to facilitate Hong Kong residents to use mobile payment services in the Mainland.

4. Ensuring that the children of Hong Kong and Macao residents enjoy the same education as those of Mainland residents (Education Bureau)

This measure ensures that Hong Kong and Macao residents or children of Hong Kong and Macao residents enjoy pre-primary education services in accordance with regulations at their place of residence, and that the children of Hong Kong and Macao residents can participate in the senior high school entrance examination for senior high school admittance based on local policies for children who relocated with their parents.

5. Exploring the establishment of a cross-boundary wealth management scheme (Financial Services and the Treasury Bureau)

The Greater Bay Area is one of the most prosperous regions on the Mainland and there is rising demand from Mainland residents for offshore assets allocation. In addition, many Hong Kong residents have genuine demand for Mainland wealth management products. To meet the cross-boundary wealth management needs of residents in both places, the Central Government agrees to explore the establishment of a two-way wealth management connect scheme. In a risk-controlled manner and with appropriate investor protection, the scheme will open up new markets and business opportunities for the financial services sectors and offer cross-boundary wealth management product choices for residents in the two places, and establish a new channel for the cross-boundary flow of Renminbi, thereby further promoting the financial cooperation of the two places.

6. Facilitating non-Chinese Hong Kong permanent residents (HKPRs) to travel to and from the Mainland cities in the Greater Bay Area (Security Bureau)

To facilitate foreigners holding Hong Kong Permanent Identity Cards to

stay or reside in the nine Mainland cities in the Greater Bay Area, they will be able to apply to the relevant Mainland authorities for a visa or permission for residence with a validity of up to two to five years. The measure will facilitate non-Chinese HKPRs to travel within the Greater Bay Area and help contribute to the development of the Greater Bay Area. The measure will enhance the synergy effect of gathering talents in various cities of the Greater Bay Area, strengthen Hong Kong's role as a talents hub for the region, and attract talents from around the world.

7. Permitting the use of Hong Kong-registered drugs and common medical devices in designated Hong Kong-owned healthcare institutions in the Greater Bay Area (Food and Health Bureau)

As a facilitation measure for Hong Kong residents working and living in the Greater Bay Area to seek healthcare services, the Central Government has accepted a proposal from the HKSAR Government to permit the use of Hong Kong-registered drugs and common medical devices in designated Hong Kong-owned healthcare institutions in the Greater Bay Area. The Food and Health Bureau will be in discussion with relevant Mainland authorities on the implementation details, including implementing the measure at the University of Hong Kong-Shenzhen Hospital on a pilot basis.

Hong Kong has a sound drug registration system and medical device administrative control system. The measure will help attract local and multinational pharmaceutical, biomedical and health technology companies to apply for registration of new pharmaceutical products in Hong Kong and to introduce medical devices to Hong Kong with a view to expanding their businesses in Hong Kong and Mainland cities in the Greater Bay Area, benefiting patients in both places.

Policies and measures supporting professional services

8. Measures on partnership associations by Hong Kong and Mainland law firms, legal consultants and special examination (Department of Justice)

Since August 1, 2019, Guangdong Province has removed the minimum capital input ratio requirement of 30% by Hong Kong partner firms in the partnership associations set up by Hong Kong and Mainland law firms in Guangdong Province, allowed the employment of Hong Kong, Macao and Mainland lawyers in the name of the partnership associations and allowed partnership associations to handle legal matters on administrative litigation, and so forth. It is believed that the relevant measures will be particularly beneficial to small- and medium-sized law firms in entering the Mainland market by way of partnership associations.

Moreover, the Ministry of Justice has agreed to allow Hong Kong legal practitioners to be employed as legal consultants by one to three Mainland law firms simultaneously. The approval requirement for the employment of Hong Kong legal practitioners as legal consultants is changed to a filing requirement, and annual registration is no longer required. The Ministry of Justice has also agreed to allow eligible Hong Kong legal practitioners, upon

passing a special examination, to qualify for practice in specific areas of Mainland law in the nine Pearl River Delta municipalities of the Greater Bay Area.

The details and the commencement date of the measures on legal consultants and special examination will be provided by the Mainland side. When these measures come into effect, they can facilitate Hong Kong legal practitioners in providing legal consultant services on the Mainland, and enable eligible Hong Kong practitioners to practise in the Greater Bay Area.

9. Further extending the scope of mutual recognition of qualifications for construction professionals (Development Bureau)

The new measure will facilitate the renewal of construction professionals' qualifications obtained under the mutual recognition arrangement, and enable architects and structural engineers who are members of relevant professional institutes in Hong Kong to commence work on the mutual recognition of membership with corresponding institutes on the Mainland.

The measure above will help relevant Hong Kong professionals extend their registered professional qualifications and increase their opportunities of providing professional services on the Mainland.

10. Expanding the scope of liberalisation measures for construction professionals from Hong Kong and Macao to practise on the Mainland (Development Bureau)

The new measure will enable Hong Kong construction and related engineering professionals who have obtained relevant professional qualifications to extend their areas of services from Guangdong, Guangxi and Fujian to all provinces of the Mainland.

The measure above will enable the relevant Hong Kong construction professionals to provide services directly in different Mainland cities, thereby increasing their job opportunities on the Mainland.

11. Preferential treatment on insurance regulation (Financial Services and the Treasury Bureau)

With the support of the Central Government, the Insurance Authority of Hong Kong and the China Banking and Insurance Regulatory Commission (CBIRC) reached a consensus in July 2018 that under the "China Risk Oriented Solvency System" (C-ROSS), the capital requirement on Mainland insurers would be reduced when they cede business to qualified Hong Kong professional reinsurers.

The CBIRC has agreed to extend the preferential treatment under the C-ROSS for one year until June 30, 2020. This will help maintain the competitiveness of our insurance sector and provide a sound risk management foundation for Hong Kong to participate and assist in the Belt and Road

Initiative.

12. Removing the requirement on years of operating experience for Hong Kong service suppliers to provide insurance loss adjusting services on the Mainland (Financial Services and the Treasury Bureau)

The Central Government removes the eligibility requirement on years of operating experience for Hong Kong service suppliers to establish insurance loss adjusting companies on the Mainland, allowing them to be subject to the same regulatory standards applicable to Mainland insurance loss adjusters for business recordation. This measure will encourage more enterprises with distinctive expertise to expand their business to the Greater Bay Area, thereby enriching the market and enhancing our competitiveness in the region.

13. Supporting bond market development in Hong Kong and Macao (catastrophe bonds) (Financial Services and the Treasury Bureau)

The Central Government supports Mainland insurers to issue catastrophe bonds in Hong Kong and Macao by relaxing the requirements for establishing special purpose insurers. With the rapid growth of the Mainland insurance sector, there are strong demands for risk transfer against natural catastrophes such as earthquakes and typhoons. With an open and mature capital market, a solid legal system, as well as a wealth of professional talents with international perspectives, Hong Kong can serve as a platform for Mainland insurers to issue catastrophe bonds, thereby promoting the sustainable development of the financial services sector.

Innovation and technology

14. Supporting the development of the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone (Innovation and Technology Bureau)

The Shenzhen-Hong Kong Innovation and Technology Co-operation Zone, which comprises the Hong Kong-Shenzhen Innovation and Technology Park at the Lok Ma Chau Loop and the "Shenzhen Innovation and Technology Zone" at the north side of Shenzhen River and adjacent to the Loop, is an important platform for developing the Greater Bay Area into an international innovation and technology hub. The Central Government will formulate supporting policies to facilitate the flow of talents, capital, goods, information, and so forth. Such measures will help attract more innovation and technology talents from both the Mainland and overseas, as well as foreign investment to Hong Kong, which will bring new impetus to Hong Kong's innovation and technology development.

15. Facilitating customs clearance of imported animal-derived biomaterials (Innovation and Technology Bureau)

The Central Government, in accordance with related laws and regulations, plans to facilitate customs clearance of imported biomaterials through simplifying the vetting process, shortening the processing time, and so forth, thereby making it easier for Hong Kong's universities and scientific

research institutes to conduct animal experiments on the Mainland. The new policy will encourage and facilitate Hong Kong researchers to conduct clinical research and experiments on the Mainland, as well as support collaborative research projects, which will promote the development of healthcare technologies of Hong Kong.

16. Relaxing the limitation on exporting Mainland human genetic resources to Hong Kong and Macao (Innovation and Technology Bureau)

Education institutions, hospitals or branches on the Mainland established by Hong Kong's universities and scientific research institutes, upon meeting specific requirements, will be allowed to lodge applications for exporting human genetic resources to Hong Kong independently under a trial scheme. The new policy, together with the "Health@InnoHK" being built in the Hong Kong Science Park, will further promote the development of healthcare technologies in Hong Kong.

Mrs Lam expressed her gratitude to the Central Government for announcing a series of policy measures that can benefit people from different sectors of Hong Kong society. These newly announced policy measures cover a wide range of areas, and are indeed policy innovation and breakthrough that the HKSAR Government had been seeking for. They would help strengthen and improve Hong Kong's traditional strengths in areas such as finance, medicine and professional services, as well as develop new focuses of economic growth such as innovation and technology. The HKSAR Government would follow up with the relevant central ministries and the Guangdong Provincial Government in a practical manner to implement relevant policies.

