

Impressive and Major Achievements of the Implementation of "One Country, Two Systems" since Hong Kong's Return to the Motherland – Continuously Demonstrating Immense Superiority of "One Country, Two Systems"

Following is an article titled "Impressive and Major Achievements of the Implementation of 'One Country, Two Systems' since Hong Kong's Return to the Motherland – Continuously Demonstrating Immense Superiority of 'One Country, Two Systems'" by the Chief Executive, Mr John Lee, published today (July 1):

Preamble

In his report to the 20th National Congress, President Xi Jinping stated that "the policy of 'one country, two systems' is a great innovation of socialism with Chinese characteristics. It has proven to be the best institutional arrangement for ensuring sustained prosperity and stability in Hong Kong and Macao after their return to the motherland. This policy must be adhered to over the long term". The facts over the 27 years after Hong Kong's return to the motherland fully demonstrate that "one country, two systems" is not only the best solution to the historical issues of Hong Kong, but also the best institutional arrangement for Hong Kong to maintain long-term prosperity and stability, with great vitality and institutional superiority. We will continue to fully, faithfully and resolutely implement the principles of "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy, with a view to maintaining long-term prosperity and stability in Hong Kong and enabling Hong Kong to shine even brighter as the Pearl of the Orient.

A. "One country, two systems" is an unprecedented great innovation with great vitality and immense superiority

â€œIn the 1980s, Mr Deng Xiaoping and others innovatively put forward the scientific concept of "one country, two systems" to resolve historical issues. On July 1, 1997, "one country, two systems" was transformed from a scientific concept into a vivid reality when Hong Kong returned to the motherland. During the 27 years since our return to the motherland, Hong Kong had gone through many crises and setbacks. With the institutional strengths of "one country, two systems" and the staunch support from the motherland, we managed to forge ahead by overcoming difficulties and obstacles time and again. Particularly in recent years, with the strong leadership of the Central Government, Hong Kong achieved a major transition from chaos to order. Hong Kong has ended its history of vulnerability in safeguarding national security, eradicated chaos and instability, fully implemented the

principle of "patriots administering Hong Kong", and broken away from the vortex of persistent political disputes. Today, the Hong Kong Special Administrative Region (HKSAR) Government is able to set a new paradigm for attaining good results and leading society in pursuit of achievements together. This is an opportune time to focus fully on pursuing economic growth and advancing development.

(a) The practice since Hong Kong's return to the motherland has proved "one country, two systems" to be a good policy for safeguarding our country's sovereignty, security and development interests.

â€‹The pain brought to Hong Kong by "black-clad violence" in 2019 will not fade and cannot be forgotten. Thanks to the Central Government's decisive action, and with the two-step "Decision and Legislation" approach adopted by the National People's Congress for enacting, promulgating and implementing the Hong Kong National Security Law, violence and chaos were successfully halted, citizens' lives returned to normal, and safety and stability were restored in our society. The 19th of March this year was a historic day as the local legislation for Article 23 of the Basic Law was successfully accomplished. The Safeguarding National Security Ordinance was unanimously passed by the Legislative Council. The Ordinance came into effect upon gazettal on March 23, completely resolving the issue besetting Hong Kong for 26 years 8 months and 19 days, and marking a glorious history for the HKSAR. Enacting legislation for Article 23 of the Basic Law is a significant milestone in the implementation process of "one country, two systems". The Safeguarding National Security Ordinance and the Hong Kong National Security Law harmonise and integrate with one another. This signifies that Hong Kong has strengthened the legal defence in safeguarding national security, which has a profound and far-reaching impact on Hong Kong's sustained stability and long-term prosperity.

â€‹The 27-year history of Hong Kong's return to the motherland has made the general public fully realise that Hong Kong's national security laws are for safeguarding security, ensuring development and protecting people's livelihood. For an extremely small minority of those who jeopardise national security, this law is a sharp sword pointed at them; for the community at large and foreign investors, this law is a "protector" of their rights, freedoms, property and investments. As described by some Hong Kong citizens, for a very long period of time after the return to the motherland, Hong Kong's door was wide open to both thieves and friends, and there was no way to distinguish between them, but now Hong Kong has been equipped with a sophisticated "security system", which is capable of identifying thieves and protecting friends. After building up a defence for safeguarding national security, Hong Kong has showcased to the world a business environment that is safer, freer, more open and more predictable. Investors from all over the world can invest and set up businesses in Hong Kong without worry and fear, and this will give added impetus towards the development of Hong Kong.

â€‹On March 11, 2021, the Decision of the National People's Congress on Improving the Electoral System of the Hong Kong Special Administrative Region was adopted at the fourth session of the 13th National People's Congress. It clearly sets out the fundamental principles and core elements for improving

the electoral system. Subsequently, the Improving Electoral System (Consolidated Amendments) Ordinance 2021 of the HKSAR was passed by the Legislative Council and took effect upon gazettal on May 31, 2021. This signifies HKSAR's determination to steadfastly implement the principle of "patriots administering Hong Kong", ensure that the power to administer Hong Kong is firmly placed in the hands of patriots, and eliminate the possibility of including traitors who betray the interests of the country and Hong Kong in governance, with the aim of guaranteeing good governance and sustained stability of the HKSAR. Under the new electoral system, the Election Committee Subsector Elections in September 2021, the election for the seventh Legislative Council in December 2021, and the sixth-term Chief Executive Election in May 2022 were all completed smoothly. The improved electoral system manifests more amply broad representation, political inclusiveness, balanced participation and fair competition, and better reflects the overall and fundamental interests of our society, which not only contributes to enhancing governance efficacy, but also provides a strong safeguard for the healthy development of Hong Kong's democracy.

On May 2, 2023, the HKSAR Government announced proposals on improving district governance and reforming the District Councils, to further implement the principle of "patriots administering Hong Kong" and enhance the level of district governance to top-level structures of the Steering Committee on District Governance and the Task Force on District Governance led by the Chief Secretary for Administration and the Deputy Chief Secretary for Administration respectively. The District Councils (Amendment) Bill 2023 was unanimously passed by the Legislative Council and came into effect upon gazettal on July 10, 2023, which provides a solid legal basis for improving the district governance system and reforming the District Councils. Thereafter, the election of the seventh-term District Councils was smoothly conducted and the new District Council members formally assumed office on January 1, 2024. With such endeavours, HKSAR's District Councils could revert to the original positioning as district advisory and servicing organisations that are not organs of political power under Article 97 of the Basic Law. The District Councils expend all-out efforts to serve citizens in the community, and work with the Government to enhance the sense of achievement, satisfaction and security among citizens. This contributes to the full implementation of the principle of "patriots administering Hong Kong", and further strengthens the foundation for HKSAR's good governance.

(b) The practice since Hong Kong's return to the motherland has proved "one country, two systems" to be a good policy for maintaining long-term prosperity and stability in Hong Kong.

Hong Kong has faced many challenges after its return to the motherland, including the Asian financial turmoil, the global financial tsunami, the outbreak of SARS, the COVID-19 epidemic, the illegal "Occupy Central" movement, the Mong Kok riots, "black-clad violence", etc. As always, "one country, two systems" is the best institutional safeguard for Hong Kong's long-term prosperity and stability, enabling us to successfully overcome various challenges. Our country always provides the strongest support to Hong Kong, and the more firmly the "one country" principle is

upheld, the greater the strength of "two systems".

Since Hong Kong's return to the motherland, while there have been ups and downs in our economy, the average growth rate is around 2.6 per cent per annum, higher than the average growth rate of 2.0 per cent for advanced economies. In 2023, Hong Kong's gross domestic product per capita was approximately US\$50,500, among the highest globally.

Hong Kong is the only city in the world that can capitalise on both the China advantage and the international advantage – possessing a sound legal framework and financial system, implementing a simple and low tax regime, located at the heart of Asia, equipped with advanced infrastructure, having a pool of top-notch talents, providing quality professional services, etc. Among all the places practising common law, Hong Kong is the only one that applies a bilingual system with both Chinese and English as official languages. Also, Hong Kong is the only common law jurisdiction in our country. Our laws in such areas as international investment, financing, business and trade etc. are aligned with those of the world's major economies. Further, as one of the most competitive economies in the world, Hong Kong has close links with major business and trade centres around the globe, and provides a business environment that is vibrant, free and open, convenient and safe. According to the World Investment Report 2024 of the United Nations Conference on Trade and Development, Hong Kong's foreign direct investment inflow amounted to US\$113 billion in 2023, and was the fourth-largest foreign direct investment recipient in the world, after the United States, the Mainland of China and Singapore. Hong Kong's advantages have been recognised by the international community. In 2023, there were a total of over 9 000 regional headquarters, regional offices or local offices in Hong Kong with parent companies located outside Hong Kong. For more than 20 consecutive years since 2003, Hong Kong was among the top 10 in the World Competitiveness Yearbook published by the International Institute for Management Development.

The fundamental rights and freedoms of Hong Kong residents and other persons in Hong Kong are guaranteed under the Basic Law and the provisions of the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights as applied to Hong Kong. Such protection remains applicable after our return to the motherland. These include freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; the right and freedom to form and join trade unions, and to strike; freedom of movement; and freedom of conscience and freedom of religious belief. Property rights, intellectual property and data are also protected by the law. The courts in Hong Kong independently exercise judicial power and the power of final adjudication, free from any interference.

(c) The practice since Hong Kong's return to the motherland has proved "one country, two systems" to be a good policy for resolving similar issues left over by history and pursuing global peace and development.

President Xi Jinping pointed out that under the great concept of "one country, two systems", Hong Kong has peacefully returned to the motherland.

This changed the so-called "standard formula" of the past where any attempt to regain lost territories would involve military confrontations, which is rarely seen at all times and in all places. The fact that Hong Kong has maintained long-term prosperity and stability powerfully proves that the Central Government is not only capable of well developing the Mainland where a socialist system is practised, but also capable of well developing Hong Kong where a capitalist system is practised. "one country, two systems" embodies the Chinese wisdom of embracing different perspectives with an open mindset, and manifests the Chinese spirit of seeking common ground while accommodating differences and concertedly pursuing development. It is the Chinese concept and proposal offered by the Chinese Communist Party and the Chinese Government to the international community for resolving similar issues, and is a great contribution to the political civilisation of mankind.

The HKSAR Government will fully, faithfully and resolutely implement the policy of "one country, two systems", ensure the Central Government's overall jurisdiction and a high degree of autonomy in the HKSAR, and see that the HKSAR is administered by patriots and that the laws and enforcement mechanisms for safeguarding national security are implemented there; develop the economy, improve people's lives, resolve deep-seated issues and problems in economic and social development and give full play to the HKSAR's strengths and distinctive features, continue to develop the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) and better integrate into China's overall development, and play a greater role in realising national rejuvenation.

B. Adhering to the good policy of "one country, two systems" in the long run enables Hong Kong to advance from stability to prosperity

(a) To advance from stability to prosperity, Hong Kong needs to reinforce and leverage its unique positioning and advantages to bolster its "golden reputations" in different realms.

With the unremitting efforts of generation after generation, Hong Kong has garnered many "golden reputations" during the long period of challenges that make us proud:

(1) Hong Kong is one of the world's premier international financial centres: 72 of the largest 100 banks in the world have operations in Hong Kong (as at end-May 2024); as the leading bond hub in Asia, Hong Kong was ranked first in Asia for arranging international bond issuance in the region for 16 consecutive years (2008 to 2023); in terms of equity funds raised, Hong Kong was ranked fourth in Asia and sixth in the world (2023); Hong Kong was Asia's largest and the world's second-largest cross-border wealth management hub (2022); Hong Kong had the highest insurance density in Asia and the second-highest in the world (2022); and, regarding the insurance penetration rate, Hong Kong was ranked second in Asia and third in the world (2022).

(2) As a leading centre for international legal and dispute resolution services in the Asia-Pacific region, Hong Kong is renowned for its strong common law tradition. The bilingual legislation of Hong Kong are clear,

certain, and freely accessible online. Hong Kong's commercial and trade laws based on common law are internationally compatible, and well-trusted by the international businesses and investors. The judiciary in Hong Kong earns a high reputation worldwide, with independent judicial power and power of final adjudication constitutionally guaranteed under the Basic Law. Court proceedings in Hong Kong are conducted in an open and transparent manner. All judicial decisions are published and accessible by the public. Judgments of the Hong Kong courts are often cited in overseas jurisprudence, evidencing the confidence and respect of the global legal community in Hong Kong's judicial and legal systems. According to the 2023 World Justice Project Rule of Law Index, Hong Kong's rule of law ranks the 23rd out of 142 countries and jurisdictions, ahead of some countries which often intentionally attack and smear Hong Kong. In addition, Hong Kong ranks the 14th least corrupt place under the Corruption Perception Index 2023 issued by Transparency International and ninth on "Absence of Corruption" worldwide under the 2023 World Justice Project Rule of Law Index, higher than some major economies such as the United States, France and Japan.

(3) Hong Kong is a free port and a separate customs territory. It is renowned for high efficiency in customs clearance, and generally does not levy any customs tariff on imports and exports. Strategically located at the heart of Asia and the gateway to South China, and with a full range of professional and business services, Hong Kong is an international trade centre and the world's 10th-largest merchandise trading economy. Besides, there is a firm foundation for intellectual property protection. According to the World Competitiveness Yearbook 2024 published by the International Institute for Management Development, Hong Kong ranked eighth globally in terms of intellectual property rights, surpassing many advanced economies.

(4) Hong Kong is an international aviation hub. Over the years, Hong Kong International Airport has been named the best airport in the world more than 80 times. Flights from Hong Kong can reach Asia's major cities within four hours and half of the world's population within five hours. With the full operation of the Three-Runway System, Hong Kong International Airport will be able to handle 120 million passengers and 10 million tonnes of cargo per year from 2035 onwards.

(5) Hong Kong is an international shipping centre. It was ranked fourth globally in the 2023 Xinhua-Baltic International Shipping Centre Development Index Report, reflecting its comprehensive strengths as a shipping centre, characterised by ideal port conditions, a high-quality maritime services cluster and an excellent business environment. In Hong Kong, there are over 1 100 port and maritime-related companies providing comprehensive and quality maritime services. In 2020, the Baltic and International Maritime Council designated Hong Kong as one of the four arbitration venues, demonstrating Hong Kong's international status in maritime dispute resolution. Also, the Hong Kong Shipping Registry, which ranks fourth globally in terms of gross tonnage, is widely recognised around the world. The average time container vessels spend in Hong Kong is nearly half of the average time in other ports. What makes Hong Kong an international shipping centre is its comprehensive attributes, including the concentration of maritime and shipping principals

and operators, the provision of high value-added services and the high efficiency delivered.

(6) Hong Kong possesses strong capabilities in scientific research, and is equipped with advanced technology infrastructure. Home to five of the world's top 100 universities, one of which is among the top 20, Hong Kong has the highest concentration of quality universities in the world. Over the years, Hong Kong has nurtured a great number of world-renowned scholars and experts, and won many major international awards and honours. In the Global Startup Ecosystem Report 2024, Hong Kong was ranked first in Asia and third worldwide in the Emerging Startup Ecosystems category. In the International Institute for Management Development's World Digital Competitiveness Ranking 2023, Hong Kong was ranked fourth in the Asia-Pacific region and 10th in the world.

(7) With distinctive advantages as a cultural melting pot of East and West, as well as extensive international connections, Hong Kong has fully performed its role as an East-meets-West centre for international cultural exchange. The HKSAR Government has continuously organised and subsidised large-scale arts and cultural activities, to bring splendid and diverse experiences to visitors and residents. In recent years, proactive efforts have been made to improve and provide different types of cultural facilities, with a view to promoting the integration and development of arts and technology. In tandem, a cross-disciplinary approach has been adopted to advocate and promote Chinese culture, thereby enhancing cultural confidence and the sense of national identity among citizens. In 2023, Hong Kong was among the world's three largest art markets, with the total trade value of works of art, collectors' pieces and antiques amounting to around HK\$105.5 billion. On another front, the Hong Kong Academy for Performing Arts has remained No.1 in Asia for six consecutive years in the 2024 QS World University Rankings' Performing Arts category. In 2023, four museums in Hong Kong were among the world's 100 most popular museums of The Art Newspaper, namely M+, Hong Kong Palace Museum, Hong Kong Museum of Art, and Hong Kong Heritage Museum.

(8) On sports, Hong Kong athletes have achieved impressive results in recent international competitions. For example, at the Tokyo Olympic Games in 2021, Hong Kong athletes won one gold, two silver and three bronze medals, the best results in Hong Kong history; and at the Tokyo Paralympic Games, they brought home two silver and three bronze medals. At the 19th Asian Games and the 4th Asian Para Games held in Hangzhou in 2023, the Hong Kong, China delegation staged distinguished performance, winning a total of 53 medals (eight gold, 16 silver and 29 bronze medals) and a total of 47 medals (eight gold, 15 silver and 24 bronze medals) respectively.

â€‹We are fully aware that our traditional advantages will not remain unchallenged, nor will our "golden reputations". Looking ahead, technology innovation as well as talents and professionals are key engines driving our economy and society towards highâ€‘quality development. With its own advantages and an abundance of talents, Hong Kong has been striving to, in line with global trends, spur development in new realms. These areas include life and health technology, artificial intelligence and data science,

advanced manufacturing and new energy technology, fintech, green finance, green technology, digital economy, microelectronics research and development, etc., in a bid to develop "new quality productive forces" where Hong Kong enjoys advantages having regard to the local conditions. We are now actively improving the ecosystem of these realms by recruiting, attracting and retaining talents, providing support for the enterprises concerned, and organically integrating "capable government" with "efficient market". In parallel, we are making optimal use of the opportunities arising from the development of the Guangdong-Hong Kong-Macao Greater Bay Area, to construct a more comprehensive and globally competitive innovation and technology industry chain by promoting complementarity and development between Hong Kong and the Mainland cities of the Greater Bay Area. As such, we could achieve high-quality development of Hong Kong, while contributing to the high-quality development of our country.

(b) To advance from stability to prosperity, the HKSAR Government should adhere to a pragmatic approach in earnestly addressing people's concerns and difficulties in daily life.

â€‹The HKSAR Government fully realises that to keep pace with the prevailing development trends, we must make proactive efforts to understand, respond to and embrace changes, and take the initiative in the evolving situations. Also, we should be dedicated and responsible, pragmatic and capable, people-oriented, and determined to overcome difficulties. Only then can we resolve deep-seated issues and problems in economic and social development, and achieve a leap forward for the HKSAR to advance from stability to prosperity.

(1) On housing, with the Government taking all possible steps to spearhead land production, we are seeing noticeable signs of improvement in housing supply. Based on the Long Term Housing Strategy, the latest supply target for public housing (PH) in the next 10 years will be 308 000 units, and the Government has identified sufficient land needed for achieving the supply target. Apart from making unreserved efforts to identify land, we are also working at full speed on the construction of PH units. As at end-March 2024, it is expected that the overall PH production (including Light Public Housing (LPH)) will increase to around 176 800 in the next five years (from 2024/25 to 2028/29), representing an increase of some 11 per cent compared to around 159 400 units in the previous five-year period (from 2023/24 to 2027/28). Moreover, the Government has fulfilled its commitment to cap the average waiting time for PH, which has been reduced from around six years before the current-term Government to 5.7 years. The Government is on track to meet the target of reducing the composite waiting time to 4.5 years by 2026/27. We have also implemented the Public Rental Housing Advance Allocation Scheme, under which the completion of more than 2 000 PH units has been advanced by five to nine months, enabling PH applicants to move in earlier. In tandem, the current-term Government has launched the LPH, an innovative, large-scale social project with very significant social function and value, which helps narrow the wealth gap in society and truly addresses people's difficulties. The first batch of about 2 100 LPH units will be completed in the first quarter of 2025. The Government aims to complete the

construction of a total of around 30 000 LPH units by 2027/28 with a view to filling the short-term gap of PH supply. In addition, to tackle the long-standing issue of subdivided units, the current-term Government has set up the Task Force on Tackling the Issue of Subdivided Units to come up with a feasible solution that can address the issue of subdivided units in an orderly manner upon completion of the in-depth study.

(2) On education, cultivating values and nurturing young people has always been the core mission of the HKSAR Government. The current-term Government has strengthened national education and strived to cultivate a new generation with virtues and talents, and an affection for the country and the city, so that "one country, two systems" can be implemented steadfastly and successfully. At the same time, the HKSAR Government has leveraged the city's sound education infrastructure and our world-renowned higher education to develop Hong Kong into an international post-secondary education hub and cradle of future talents. This will enable us to make better use of our distinctive advantage of having strong support from the motherland and close connection with the world. The Government has also actively expanded vocational and professional education and training, and supported the development of universities of applied sciences. We have stepped up efforts to promote STEAM (Science, Technology, Engineering, the Arts and Mathematics) education at primary and secondary levels, increased the number of Mainland exchange programmes for Hong Kong teachers and students, proactively integrated into the overall national development, and complemented the national strategy of invigorating the country through science and education. This will help to provide talent to support the high-quality development of Hong Kong and our motherland as well as the building of a world-leading country in education and talent-rich country.

(3) On youth and talent policies, the current-term Government has actively formulated the Youth Development Blueprint to set out clearly the overall vision, objectives and measures for youth development in the future. It has also successfully engaged more young people in public affairs by launching the Youth Participation Initiative, and continued to enhance different exchange and internship programmes to enable young people to broaden their horizons and better understand national and global development. Apart from actively nurturing talents, the current-term Government has introduced a number of policy initiatives to attract Mainland and overseas talents. These include introducing the Top Talent Pass Scheme and establishing Hong Kong Talent Engage, as well as enhancing other existing talent admission schemes, to draw more talents to Hong Kong to pursue development.

(4) On elderly care policy, in light of Hong Kong's ageing population, the current-term Government has adhered to the policy objective of promoting "ageing in place as the core, with institutional care as back-up". While enhancing support for ageing in place and for carers, the Government has also bolstered its efforts in lifting the quality and quantity of residential care homes for the elderly. It has promoted gerontechnology to improve the quality of life for the elderly, and encouraged the elderly to pursue lifelong learning and integration into the community, so that they enjoy a sense of

security, a sense of belonging and a feeling of health and worthiness.

(5) On promoting the Northern Metropolis development, the current-term Government is actively taking forward the related work. In the coming 10 years, approximately 40 per cent of the new developable land in Hong Kong will be created by the Northern Metropolis. The Northern Metropolis covers an area of 30 000 hectares, which is around one-third of Hong Kong's total landmass. It is adjacent to Shenzhen and connected to seven boundary control points. Some 3 000 hectares of land in the Northern Metropolis is new development land, which not only provides about 500 000 new housing units, but also expands the scope of development for Hong Kong's industries. From the west to the east, the Northern Metropolis will be divided into four major zones, namely the high-end professional services and logistics hub, the innovation and technology zone, the boundary commerce and industry zone, and the blue and green recreation, tourism and conservation circle. Apart from meeting Hong Kong's needs, the Northern Metropolis will serve as an important platform for promoting Hong Kong's collaborative development with Shenzhen and other Greater Bay Area cities. This will thereby foster high-quality co-operation and complementarity between the HKSAR and other Greater Bay Area cities, and enable Hong Kong to better integrate into the overall national development.

(c) To advance from stability to prosperity, Hong Kong needs to fully leverage its distinctive advantage of having strong support from the motherland and close connection with the world under "one country, two systems", and actively integrate into the overall national development to inject continuous impetus into the growth of Hong Kong.

It is imperative for Hong Kong to leverage its distinctive advantage of having strong support from the motherland and close connection with the world, create strong impetus for growth, grasp the enormous opportunities brought by national development, and actively dovetail with national strategies such as the 14th Five-Year Plan, the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and the high-quality development of the Belt and Road Initiative. After taking office in 2022, I set up the Steering Group on Integration into National Development to strengthen leadership. The Steering Group is chaired by myself, with three Secretaries of Departments as deputies, enhancing leadership under the "1+3" model, and actively facilitating various sectors to fully integrate into the overall national development. Under the steer of the Government, different sectors of the community proactively embrace changes, keep up with the global trends and drive reforms, such that the enormous creativity and development vitality of society could be unleashed. In addition, Hong Kong should strengthen "internationalisation" and increase its global influence in line with the prevailing international environment. The HKSAR should make further use of its status as a member of various international organisations and conferences (including those in the areas of business and trade, professional sectors, arts and culture, and sports), forge and reinforce international relations and give full play to its roles as a "super-connector" and "super value-adder". We should also elevate our performance in spearheading and driving functions in "going global and attracting foreign investment" for the

country, thereby maintaining Hong Kong's respected status in the international community, achieving seamless alignment with the world, seeking a greater voice internationally and fostering high-level opening up.

I. Actively dovetailing with the 14th Five-Year Plan

The 14th Five-Year Plan supports Hong Kong in the development of "eight centres", including four traditional centres and four emerging centres. Hong Kong needs to reinforce and enhance its status as an international financial, shipping and trading centre and international aviation hub, strengthen its position as a global offshore Renminbi business hub as well as its functions as an international asset management centre and risk management centre, and promote high-end and high value-added development of financial, business and trade, logistics and professional services, etc. Furthermore, Hong Kong needs to capitalise on its advantages in developing innovation and technology and nurturing emerging industries, including consolidating and strengthening its capabilities in scientific research, accelerating commercialisation of research and development outcomes, promoting "new industrialisation" in Hong Kong, pooling innovation resources from the Mainland and overseas, and pursuing global collaboration in innovation and technology. This will help us to gradually realise the vision of developing Hong Kong into an international innovation and technology centre. Hong Kong will also develop into a centre for international legal and dispute resolution services in the Asia-Pacific region, with services covering legal talent training, promoting arbitration and mediation, and enhancing interface with the Mainland, among other areas. Besides, we will, through developing intellectual property trading, expand the scope of businesses and explore new markets. Efforts will also be made to promote cultural exchanges between the East and West, and facilitate collaboration and development of arts, culture and creative industries in the Greater Bay Area, with a view to developing Hong Kong into a more competitive international metropolis. Such development positioning not only supports Hong Kong in pursuing long-term prosperity and growth, but also enables Hong Kong to make good use of its strengths to serve the country's needs.

II. Effectively taking forward development of the Guangdong-Hong Kong-Macao Greater Bay Area

Development of the Guangdong-Hong Kong-Macao Greater Bay Area is a key national strategy personally devised, personally planned and personally driven by President Xi Jinping. It is also a further step in enriching the practice of "one country, two systems". The objectives of Greater Bay Area development are to, through further deepening co-operation among Guangdong, Hong Kong and Macao, leverage the complementary advantages of the three places, take forward synergistic economic development, develop the Greater Bay Area into an international first-class bay area ideal for living, working and travelling, and further enhance the supporting and leading roles of the Greater Bay Area in the country's economic development and opening up. During his inspection tour to Guangdong in April 2023, President Xi Jinping further stressed that the Guangdong-Hong Kong-Macao Greater Bay Area holds strategic importance in the country's new development pattern, and the Greater Bay Area must be developed as a strategic fulcrum of the new development pattern, a

demonstration zone of high-quality development and a pioneer of Chinese modernisation. President Xi Jinping has given the Greater Bay Area a new strategic positioning and historic mission to inject stronger impetus into the high-quality development of the Greater Bay Area and the development of Hong Kong during the city's critical juncture of advancing from stability to prosperity. He clearly expressed important expectations that the Greater Bay Area, including Hong Kong, should make greater contributions to the high-quality development and the deepening of reform and opening up of the country, thereby giving fuller play to its supporting, leading and demonstrative roles.

The Greater Bay Area is one of the most open and economically vibrant regions in the country, with a total population of 87 million. The size of its economy exceeded RMB14 trillion in 2023, surpassing many advanced economies. With the potential to become one of the top four bay areas in the world, the Greater Bay Area is the best entry point for Hong Kong to better integrate into overall national development. By continuously deepening close co-operation with other Greater Bay Area cities, fully leveraging Hong Kong's distinctive advantage of having strong support from the motherland and close connection with the world under "one country, two systems", actively promoting a higher level of inter-connectivity and integrated development in the Greater Bay Area, and striving for more policy innovations and breakthroughs in different areas, the HKSAR Government has created new opportunities. These opportunities open up new horizons for the sustainable development of Hong Kong enterprises and industries where Hong Kong enjoys advantages in the Greater Bay Area, while at the same time supporting Mainland enterprises in the Greater Bay Area to tap into overseas markets through Hong Kong as an internationalised platform for "going global and attracting foreign investment".

As the Greater Bay Area has entered a new stage of fast-lane development with greater breadth and depth, Hong Kong must continue to fully and proactively participate in Greater Bay Area development on all fronts. These include accelerating the development of major co-operation platforms in the Greater Bay Area, such as Qianhai of Shenzhen, Nansha of Guangzhou, and Hong Kong-Shenzhen Loop; stepping up efforts to facilitate the efficient and smooth flow of key production factors such as people, goods, capital and information in the Greater Bay Area; promoting the compatibility and alignment of rules and mechanisms in a wider range of areas and to a deeper level; and actively pursuing complementary development and serving the country's needs with Hong Kong's strengths, such that Hong Kong could make contributions to the high-quality development and high-level opening up of the country and the Greater Bay Area.

III. Serving as a prime functional platform for the Belt and Road Initiative

As an important development strategy of the country, the Belt and Road Initiative aims to promote co-operation among participating countries and regions in the five areas of policy co-ordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bond. President Xi Jinping has announced eight major steps to bring the Belt and Road co-

operation to a new stage of high-quality development. With the "eight centres" underpinning our competitive advantage, Hong Kong has become a prime functional platform for the high-quality development of the Belt and Road Initiative, while serving its roles as "super-connector" and "super value-adder". For Mainland and international enterprises intending to pursue development in regions along the Belt and Road, Hong Kong is able to provide a full and diverse range of support in investment and financing of international projects, offshore Renminbi business, international trade, professional services, regional legal and dispute resolution services, innovation and technology, transport and logistics, and so on. Capitalising on our strengths in building the world's free economy, forging international corruption-free co-operation, as well as pursuing green and sustainable development, Hong Kong will actively perform its roles in taking forward the eight major steps, so as to contribute to the country's strategy on high-quality development of the Belt and Road Initiative, and to consolidate and develop our own advantages.

Conclusion

Over the 27 years since Hong Kong's return to the motherland, "one country, two systems" has been put into practice and been tested on all fronts for 27 years. Facts have proved that no matter how uncertain the world is, no matter how the United States and some Western countries bully and curb our country's peaceful development, and no matter how many difficulties and obstacles we have encountered, with the staunch support from our country and the concerted efforts of all citizens, Hong Kong has gone from strength to strength.

While the unique positioning and advantages of Hong Kong have become more prominent, the emerging industries have injected new impetus into our future development. Hong Kong has effectively retained its key features as an international city; the prospects for Hong Kong's advancement from stability to prosperity have become brighter, and the development scope and opportunities for social, economic and livelihood issues are considerable and varied. All these are compelling evidence that the implementation of "one country, two systems" has achieved globally-recognised success, and provided great vitality and immense superiority. The realisation of the great rejuvenation of the Chinese nation has entered an irreversible historic process and the successful implementation of "one country, two systems" in Hong Kong is a vital component of this historic process.

President Xi Jinping said, "Just as there are no bounds to practice, there is no end to theoretical innovation". We will, in light of the changes taking place and the developments in practice, sustain efforts to deepen our understanding, draw reference from experience, and enrich the practice of "one country, two systems", to ensure that "one country, two systems" is fully and faithfully implemented, with continuous improvements to ensure its steadfast and successful implementation. President Xi Jinping also remarked that the key to long-term development lies in reform and innovation, and the road to reform is never smooth. The HKSAR will continue to fully, faithfully and resolutely implement the principle of "one country, two systems", strive for innovations and embrace changes. Despite difficulties and obstacles, and

without fear of adversity, we will press ahead with perseverance and determination, so as to pursue the continued success of "one country, two systems", and make contributions to the high-quality development of our country and Hong Kong and to the rejuvenation of the Chinese nation.