

# LCQ18: Proposed "Joint Policy Package" for Hong Kong and Shenzhen

Following is a question by the Hon Martin Liao and a written reply by the Secretary for Innovation and Technology, Mr Alfred Sit, in the Legislative Council today (November 18):

Question:

It has been reported that the authorities of Hong Kong and Shenzhen are discussing the rolling out of a "Joint Policy Package", which covers joint policies on the flows of talents, capital, resources and data between Hong Kong and Shenzhen, with a view to enhancing the attraction to innovation and technology (I&T) talents, adding momentum to the I&T synergistic development between Hong Kong and Shenzhen, as well as promoting the development of the Guangdong-Hong Kong-Macao Greater Bay Area (the Greater Bay Area) into an international I&T hub. In this connection, will the Government inform this Council:

- (1) in respect of the discussion and cooperation between Hong Kong and Shenzhen, of the differences between the mode and mechanism proposed to be established under the Joint Policy Package and the existing ones;
- (2) whether (i) specific targets (e.g. the number of I&T talents to be admitted, as well as the categories and areas of scientific researches to which they belong), and (ii) implementation timetables for the various policies concerned, will be formulated in respect of the Joint Policy Package;
- (3) whether, apart from I&T, the Government will consider discussing with the Shenzhen authorities the introduction of similar joint policy packages in respect of other key areas of cooperation between Hong Kong and Shenzhen (e.g. finance and healthcare); and
- (4) whether it will consider discussing with the authorities of other cities in the Greater Bay Area the formulation of similar joint policy packages?

Reply:

President,

In consultation with the Constitutional and Mainland Affairs Bureau, the Food and Health Bureau and the Financial Services and the Treasury Bureau, we provide the consolidated reply to the various parts of the question as follows:

- (1) and (2) Hong Kong and Shenzhen are close partners and the two governments have made remarkable progress cooperating in various areas over the years.

With the goal of developing an international innovation and technology (I&T) hub under the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development strategy, the cooperation between the two places in I&T as well as in fostering the flow of people and elements of production and I&T can be further expanded.

In the aspect of I&T, the Hong Kong Special Administrative Region (HKSAR) Government is taking forward the development of the Hong Kong-Shenzhen I&T Park (the Park) located in the Lok Ma Chau Loop (the Loop) at full swing to develop a key base for co-operation in scientific research. The Park will become Hong Kong's largest-ever I&T platform. According to the consultancy study commissioned by the Hong Kong-Shenzhen Innovation and Technology Park Limited, the Park will focus on the development of six research and development (R&D) areas, including healthcare technologies, big data and artificial intelligence, robotics, new material, microelectronics, and financial technology. Meanwhile, together with the Shenzhen Innovation and Technology Zone (SZ I&T Zone) at the north side of Shenzhen River and adjacent to the Loop, the Park will form a cohesive and synergistic Shenzhen-Hong Kong Innovation and Technology Co-operation Zone (the Co-operation Zone). The Co-operation Zone will leverage on the complementary advantages of both Hong Kong and Shenzhen. For example, with the combination of Hong Kong's solid R&D strengths and Shenzhen's stronger capability in advanced manufacturing, a value-adding chain that covers the upstream, midstream and downstream processes can be created. The Governments on both sides are exploring the feasibility of leasing and managing some of the existing buildings in SZ I&T Zone by the Hong Kong Science and Technology Parks Corporation, in order to allow suitable and interested institutions and enterprises tapping into the Mainland market as soon as possible prior to the completion of the first batch of buildings in the Park.

To attract more talent and enterprises (including start-ups) to develop in the Co-operation Zone, the HKSAR Government and the Shenzhen Municipal People's Government will continue through the established mechanism to study the formulation of joint policy for the Park and SZ I&T Zone and explore to provide facilitation and supportive measures in the aspects of R&D resources, capital and immigration. Both sides will also join hands in promoting the advantages in I&T with a view to attracting talent and enterprises from Mainland and overseas. We hope to finalise the joint policy package as soon as possible.

(3) and (4) The HKSAR Government will continue to seize the opportunities brought about by the development of the Greater Bay Area, and on the basis of complementarity and win-win collaboration, deepen cooperation with Shenzhen and other Greater Bay Area cities in areas such as I&T, financial services, maritime transport and infrastructure, medical services, education and youth innovation and entrepreneurship. Through policy innovation, we will take forward the initiatives set out in the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, thereby creating more opportunities and scope for development for Hong Kong people and different sectors of the community and striving to develop the Greater Bay Area into a highly innovative international first class bay area and a world-class city

cluster.

Taking finance development as an example, on May 14, 2020, the Central Government promulgated the Opinion on Providing Financial Support for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area (the Opinion), which sets out concrete measures for the development of finance of the Greater Bay Area to deepen financial cooperation between the Mainland, Hong Kong and Macao. We will continue to cooperate closely with the Mainland authorities and leverage our unique strengths as an international financial centre. In a risk-controlled manner, we will orderly implement policy initiatives set out in the Opinion with a view to promoting the sustainable development of the financial services sector.

Besides, in the aspect of healthcare, as a facilitation measure for Hong Kong residents working and living in the Greater Bay Area cities to seek healthcare services locally, and to encourage locally-funded healthcare institutions to set up in the Greater Bay Area, the State Council has approved the proposal to allow use of drugs that are urgently needed for clinical use and registered in Hong Kong, as well as common medical devices that have already been procured and used in local public hospitals, in designated healthcare institutions in the nine Greater Bay Area cities. The measure will begin at the University of Hong Kong-Shenzhen Hospital on a pilot basis, and will be gradually expanded to other qualified designated healthcare institutions.

Meanwhile, on the medical education front, the HKSAR Government supports the University of Hong Kong and the Chinese University of Hong Kong to introduce the successful models of their Faculties of Medicine to the Greater Bay Area in training healthcare professionals and assisting in raising the professional healthcare standards in the Mainland. The two universities are now discussing with the relevant Mainland authorities and the municipal and provincial governments on the project details.

As regards the development of Chinese medicine, the proposal on the development of Chinese medicine in the Guangdong-Hong Kong-Macao Greater Bay Area covering 2020-2025 published on October 22 includes allowing proprietary Chinese medicines for external use registered in Hong Kong to be registered and traded in the Greater Bay Area through simplified approval process, as well as other measures to foster employment, training and development of local Chinese medicine practitioners in the Greater Bay Area. The HKSAR Government will actively complement the implementation of the afore-mentioned proposal.