## LCQ2: Government's response to report by United States-China Economic and Security Review Commission

Following is a question by the Dr Hon Cheng Chung-tai and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (December 5):

## Question:

The United States-China Economic and Security Review Commission, created by the United States (US) Congress, published a report last month, alleging that Beijing's encroachment on the rule of law and freedom of speech in the Hong Kong Special Administrative Region has brought an ongoing decline in the territory's rule of law. The Commission therefore called for examining and assessing the adequacy of US export control policy for dual-use technology as it relates to the treatment of Hong Kong and China as two customs areas. In response, the Chief Executive criticised that the report had made unfounded accusations and applied a double standard, and had even put on "tinted glasses" when scrutinising the relationship between Hong Kong and the Central Authorities. In this connection, will the Government inform this Council:

- (1) given that the Sino-US trade conflicts persist, whether it has assessed if the Chief Executive's response to the aforesaid report will deepen the suspicions of the US authorities about Hong Kong;
- (2) whether it will withhold the legislative work for implementing the National Anthem Law of the People's Republic of China and Article 23 of the Basic Law, so as to avoid the US authorities' cessation to treat Hong Kong as a separate customs area from Mainland China on account of Hong Kong having lost its unique characteristics; and
- (3) whether it has assessed if substantial economic losses will be brought to Hong Kong in the event that the US Congress repeals the Hong Kong Policy Act; if it has assessed and the outcome is in the affirmative, of the countermeasures of the Government?

## Reply:

President,

My reply to the question by the Hon Wu Chi-wai has also responded to most part of the question raised by the Dr Hon Cheng Chung-tai. I am not going to repeat such response in detail here.

In brief, since the return to the Motherland, the Hong Kong Special Administrative Region (HKSAR) has been exercising "Hong Kong people

administering Hong Kong" and a high degree of autonomy in strict accordance with the Basic Law. The "one country, two systems" principle has been fully and successfully implemented. Through actively making good use of the opportunities in the international arena conferred to the HKSAR by Articles 116 and 151 of the Basic Law, adherence to the relevant laws and systems and international co-operation, we consolidate our status in international trade and economic arena. Hong Kong's unique status under the Basic Law and "one country, two systems" and our own various advantages allow Hong Kong to establish mutually beneficial collaboration relationship with countries around the world at bilateral and multilateral international trade and economic levels, demonstrating the successful implementation of "one country, two systems". Moreover, the continual strengthening of Hong Kong's trade and economic links with the region and the world reflects the acceptance of and respect for Hong Kong's unique advantages.

When any institution of other countries, regardless of whether it represents its government, has made biased or unfounded remarks on the situation of Hong Kong, the HKSAR Government will make clarifications in accordance with facts.

Hong Kong's trade and economic relationship with the United States (US) is mutually beneficial. Since Hong Kong's return to the Motherland, the US has continued to maintain and expand economic and trade ties with Hong Kong based on our unique status. It is in the US and Hong Kong's mutual interest to maintain and promote our bilateral relations. The HKSAR Government will continue to maintain and consolidate Hong Kong's trade and economic ties with the US, and continue to develop bilateral trade and economic relations on the basis of mutual respect and co-operation.

Regarding the local legislation of the Law of the People's Republic of China on the National Anthem (National Anthem Law) mentioned in the question, the National Anthem Law has come into force nationwide since October 1, 2017. The Standing Committee of the National People's Congress adopted the decision to add the National Anthem Law to Annex III to the Basic Law in November 2017. According to Article 18(2) of the Basic Law, the national laws listed in Annex III to the Basic Law shall be applied locally by way of promulgation or legislation by the HKSAR. It is thus the responsibility of the HKSAR Government to implement the National Anthem Law locally. The HKSAR will implement the National Anthem Law by local legislation. This approach is consistent with the "one country, two systems" principle, and is also consistent with the implementation of the Law of the People's Republic of China on the National Flag and the Law of the People's Republic of China on the National Emblem, both of which have been adapted and implemented in Hong Kong by the National Flag and National Emblem Ordinance. The HKSAR Government is now working on the local legislation to implement the National Anthem Law, and will submit the National Anthem Bill to the Legislative Council for scrutiny as soon as possible after the drafting has been completed. Our legislative principle is to maintain the purpose and intent of the National Anthem Law to fully reflect its spirit and to preserve the dignity of the national anthem, so that our citizens would respect the national anthem, whilst taking into account our common law system and the actual circumstances

in Hong Kong.

As for the legislation for Article 23 of the Basic Law, the HKSAR Government has the constitutional responsibility to legislate for Article 23 of the Basic Law in order to safeguard national security. The Chief Executive has stated publicly for a number of times that the Government will carefully consider all relevant factors, act prudently and continue its efforts to create a favourable social environment for the legislative work. The Government will listen to public views earnestly and explore ways to enable the Hong Kong society to respond positively to this constitutional requirement on the HKSAR.

The bilateral trade and economic relationship between Hong Kong and the US is based on mutual benefits and mutual respect. Hong Kong's relation with the US and the global trade and economic system is also based on the unique trade and economic status conferred to the HKSAR under the Basic Law, but not on the unilateral trade and economic policy of any trading partner. The HKSAR Government will, as always, strive to make good use of the afore-mentioned advantages and conditions to establish Hong Kong's position in the global trade and economic environment. Thank you.