

## LCQ2: Influence of offices set up in Hong Kong by departments of the Central People's Government

Following is a question by the Hon Gary Fan and a reply by the Secretary for Constitutional and Mainland Affairs, Mr Patrick Nip, in the Legislative Council today (June 13):

Question:

It has been reported that two companies under Guangdong Xin Wenhua, which is a company wholly owned by the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region (LOCPG), have full control of three major bookstore chains, namely Joint Publishing (H.K.), Chung Hwa Book Co. and The Commercial Press, as well as a number of publishers and publications distributors in Hong Kong, with a market share as high as 80 per cent. In this connection, will the Government inform this Council:

(1) as Article 22 of the Basic Law (BL) stipulates that "(n)o department of the Central People's Government ... may interfere in the affairs which the Hong Kong Special Administrative Region administers on its own in accordance with this Law", whether the Government has assessed if LOCPG-owned companies' conducting business in Hong Kong and impacting on the environment of the local publishing industry have constituted a violation of that provision; if it has assessed, of the outcome;

(2) given that the three major bookstore chains indirectly held by LOCPG have dominated Hong Kong's publication market (especially in the business area of publishing teaching materials and children's educational books) and those chains have refused to sell in their bookstores books relating to the Umbrella Movement, democratic movements and the relevant subjects, whether the Government has assessed if the freedom of publication enjoyed by Hong Kong residents under Article 27 of the BL has been undermined by the aforesaid situation; and

(3) whether the Government will discuss with the Central People's Government if it is necessary to draw up criteria for regulating the conducting of business in Hong Kong by the offices set up in Hong Kong by the Central Government and companies under them?

Reply:

Acting President,

Having consulted the Department of Justice, our consolidated reply to the Hon Gary Fan's question is as follows:

According to Article 12 of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the Basic Law), the Hong Kong Special Administrative Region (the HKSAR) shall be a local administrative region of the People's Republic of China, which shall enjoy a high degree of autonomy and come directly under the Central People's Government (the CPG). Article 2 of the Basic Law stipulates that the National People's Congress authorises the HKSAR to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of the Basic Law.

At the same time, Article 22 of the Basic Law stipulates that no department of the CPG and no province, autonomous region, or municipality directly under the Central Government may interfere in the affairs which the HKSAR administers on its own in accordance with the Basic Law. If there is a need for departments of the Central Government, or for provinces, autonomous regions, or municipalities directly under the Central Government to set up offices in the HKSAR, they must obtain the consent of the government of the Region and the approval of the CPG. All offices set up in the HKSAR by departments of the Central Government, or by provinces, autonomous regions, or municipalities directly under the Central Government, and the personnel of these offices shall abide by the laws of the Region.

Currently, the Central Government has set up three institutions in the HKSAR, including the Liaison Office of the Central People's Government in the HKSAR (the LOCPG), the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the HKSAR (the OCMFA), and the Hong Kong Garrison of the Chinese People's Liberation Army (the Garrison). Since the establishment of the HKSAR, the HKSAR Government and the offices set up by the CPG in the HKSAR have been acting in strict accordance with the basic policies of "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy, as well as complying with the provisions of the Basic Law in performing their respective duties.

The question refers to the functions and roles of the LOCPG. As stated in its official website, the LOCPG is an office set up by the CPG in the HKSAR. Its main functions include liaising with the OCMFA and the Garrison; liaising with and assisting relevant Mainland departments to manage Chinese organisations in Hong Kong; promoting economic, educational, scientific and technological, cultural and athletic exchanges and co-operation between Hong Kong and the Mainland; liaising with various sectors of the community of Hong Kong to enhance exchanges between the Mainland and Hong Kong; and reflecting the views of Hong Kong residents on the Mainland, etc. The work of the offices set up by the Central Government in the HKSAR is determined by the Central Authorities. As long as the LOCPG is carrying out its work in accordance with its operation and functions and which complies with law, we will not interfere with the LOCPG's work. We believe that the LOCPG will, as always, follow the laws of HKSAR in accordance with the requirement stipulated in Article 22 of the Basic Law.

Regarding the LOCPG's ownership of bookstores and publishing companies, and being a publications distributor, as far as I understand, Joint

Publishing (H.K.), Chung Hwa Book Co. and The Commercial Press are companies under Sino United Publishing (Holdings) Limited, which is a local enterprise registered and operated in accordance with the laws of Hong Kong. The HKSAR Government will not interfere with any bookstore, publishing company or publications distributor which are operating in accordance with law.

Regarding the question on the freedom of publication, the HKSAR Government has always strived to protect the freedoms provided for Hong Kong residents under Article 27 of the Basic Law, including the freedom of publication. The setting up and operations of bookstores, publishing companies and publications distributors in Hong Kong by individuals or companies are purely business operations; the market share of individual bookstores, publishing companies or publications distributors is also a result of free market. I understand that there are many different ways to publish books and publications in Hong Kong. The HKSAR Government will ensure that Hong Kong is an open market for publishing activities, and will not interfere with lawful publishing of books and publications. Hong Kong is an international metropolis where East meets West. The publishing market has always been diverse, with enterprises from the Mainland, Taiwan, Europe, the United States and elsewhere, in addition to local ones. There are physical bookstores of different sizes as well as various online channels for people to purchase and read books and publications of different genres from different parts of the world through various channels at their own will. As for the mechanism of selecting books for sale by individual bookstores, it is entirely an independent act based on business considerations of each individual bookstore, and is a process which the Government will not and cannot participate in; otherwise, it will constitute an interference. This is precisely what the Government is doing to uphold Article 27 of the Basic Law to protect the freedom of publication. The freedom of press, of speech and of publication, etc. are important elements in maintaining Hong Kong's position as an international metropolis. The HKSAR Government will definitely continue to protect these important rights.

Thank you Acting President.