

# LCQ21: US export control policy for dual-use technology

Following is a question by the Hon Kenneth Leung and a written 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, has alleged in a report published last month that the Central Authorities' encroachment on Hong Kong's autonomy has brought an ongoing decline of the rule of law and freedom of speech. The Commission has also recommended that the Congress direct the Department of Commerce and other relevant government agencies to prepare a report to examine and assess 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 this connection, will the Government inform this Council:

(1) whether it will review if the Government made mistakes in its decisions and in the decision making process regarding the incidents in Hong Kong referred to in the aforesaid report, with a view to providing reference for implementing policies in future, thereby demonstrating to the international community the Government's determination to uphold the core values such as the rule of law and freedom of speech; if so, of the details; if not, the reasons for that;

(2) whether it knows the specific contents of the dual-use technology mentioned in the report and whether it can provide a relevant list; and

(3) whether it has plans to commence lobbying efforts targeting the US authorities and representatives of the various sectors to persuade the US authorities not to tighten the control policy for exporting dual-use technology to Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

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 and advantages under the Basic Law and "one country, two systems" allow Hong Kong to establish mutually beneficial

collaboration relationship with economies around the world at bilateral and multilateral international trade and economic levels, demonstrating the successful implementation of "one country, two systems".

Through officials' overseas visits and participation in international conferences, the HKSAR Government has been explaining to countries around the world the successful implementation of "one country, two systems" since our return to the Motherland, and promoting Hong Kong's unique status under the Basic Law and "one country, two systems" as well as our own various advantages, and exploring room for mutually beneficial collaboration. For example, I led a delegation to visit Washington DC, the United States (US) this September, during which I met with the US government officials, members of the Congress, think tanks as well as the business community, and explained clearly Hong Kong's unique status under the Basic Law, as well as Hong Kong's important role in helping our global trading partners in developing markets.

In addition, the three Economic and Trade Offices (ETOs) in the US, together with the other nine overseas ETOs, have been maintaining close liaison with relevant government officials, the political and business community, in order to reflect the actual situation of Hong Kong and to promote the unique status of Hong Kong under "one country, two systems" and our own various advantages.

The United States-China Economic and Security Review Commission (USCC) mentioned in the question is appointed by the bipartisan leaders of the US Congress and currently does not comprise members of the US Congress. The USCC report published last month is not a report by the Congress or the US Administration. Its contents do not reflect the position of the US Congress or the US Administration but the views of the USCC members who are not members of the Congress.

In addition to comments on US-China relations, the USCC report published last month also mentions the situation in Hong Kong. In respect of the paragraph on trade control, the Commission points out that Hong Kong is an important partner of the US in ensuring robust protection against unauthorised shipments of controlled US items to the Mainland. Indeed, Hong Kong has always been enforcing import and export trade controls according to the laws of Hong Kong, and such efforts have been recognised and respected by our trading partners. Hong Kong will continue to maintain our robust trade control system in accordance with the law and continue to work closely with the US and other trading partners.

Hong Kong's trade and economic relationship with the 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 enhance Hong Kong's economic and trade ties with the US.