<u>Transcript of remarks by CE at media</u> <u>session before ExCo meeting (with</u> <u>video)</u>

Following is the transcript of remarks by the Chief Executive, Mrs Carrie Lam and the Secretary for Food and Health, Professor Sophia Chan, at a media session before the Executive Council meeting today (June 2):

Reporter: Mrs Lam, the US President Donald Trump said he was directing his administration to kick-start the process of eliminating special treatment for Hong Kong, and it would also impose sanctions on individuals seen as responsible for smothering Hong Kong's autonomy. Are you worried that this will have a serious impact on the city's status as an international financial centre, and would you urge the US administration not to do so? And secondly, the former Chief Justice Andrew Li said in an article today, saying that he thinks the national security law should fulfil a range of criteria to conform to the principles of Hong Kong's judicial system, for example, it shouldn't be retrospective, and trials should be conducted in Hong Kong openly, and overseas judges should be allowed to adjudicate those cases. Will you do your best to relay these views to the Central Government and make sure that these legal principles will be upheld in the national security law in the future? And thirdly, about the rise in the new local coronavirus cases, does it mean that it's very unlikely that the Government will relax some of the current social distancing measures, including the gathering ban when they expire after June 4? On the other hand, do you think it's sensible to keep restricting people's freedom of assembly for months when we are likely to see sporadic cases for a longer period of time? Thank you.

Chief Executive: Thank you very much. Three very substantive questions. First, I have mentioned in my opening remarks that there is simply no justification whatsoever for any government, any economy to impose sanctions on Hong Kong as a result of a very legitimate process of the Central Authorities taking this decision to enact laws for Hong Kong to better protect national security. For the time being, I have not seen or heard any details from the US administration. So I could not really comment on that. What I have done in our government press releases and just now is to point out, my stance is I point out to the American authorities, rather than using your term I "urge" them to do this and that. I respect the jurisdiction of every administration, my task and my stance is to point out to the American government and indeed to other governments, should that occasion arise, that they will be hurting their own interests in Hong Kong. And we have substantiated by giving you the trade figures which are always to the American favour in terms of the trade surplus they have been enjoying from this bilateral trade in goods with Hong Kong. I have pointed out to you that there are over 1 300 American companies in Hong Kong which have been treated in exactly the same way as a local company in accessing the Mainland market under the CEPA (the Mainland and Hong Kong Closer Economic Partnership

Arrangement). I have pointed to you that we have been granting visa-free access to American passport holders even if we do not receive reciprocal treatment. I can share with you that as both the CS and now the CE, every time I met with the US Consul General or visiting senior officials from the US Administration, I said, 'Shouldn't there be some reciprocity in granting visa-free treatment to our passport holders?' and the answer was always 'No'. This is my position that I point out the facts and the figures so that they will do their own calculations.

As far as the comments made by the former Chief Justice, the Honourable Andrew Li, before commenting — but whether I should comment is another thing - on his remarks, I notice that - I have not read his article in full - but I notice that he actually used the same phrase that I appealed to the people of Hong Kong in my open letter. In Chinese, it's "ç@†è§f". I hope people in Hong Kong will first understand why we have now arrived in this situation that the National People's Congress has to act in order to protect national security and also by doing so to protect Hong Kong. As far as the legal principles and the content of the law, since we do not have, I have not seen, any draft legislation yet, I really could not comment on the details except to highlight to you that there were five fundamental principles to be adopted by the National People's Congress Standing Committee in drafting the legislation. One is to firmly safeguard national security. Secondly is to better, the whole purpose is to better the system of "One Country, Two Systems". So whatever in "One Country, Two Systems" that have been valued by Hong Kong, certainly they will be upheld. The third principle is to govern Hong Kong in strict accordance with the law. There should be no worry that there will be illegal acts by certain people in Hong Kong. And fourthly is to resist external interference in Hong Kong affairs. Finally, which is the most important point in my view and hence I have quoted it extensively in one of my press releases or statements, is to uphold the legal rights and freedoms of Hong Kong people. And I notice that in addition to these five basic principles, in a statement issued by HKMAO (the Hong Kong and Macao Affairs Office), I think it's on May 29, they said that the enactment will not change the high degree of autonomy and will have no impact on Hong Kong SAR's judicial independence, including that of final adjudication. I find these principles and clarifications very reassuring, but of course one has to wait for the draft legislation before you will be truly convinced that the law has complied with each and every of those principles.

As far as COVID-19, we are very worried — I am very worried — about this outbreak in community, not because of the number of nine confirmed patients, but also because this particular cluster reflects some characteristics which we might not have seen before. We have seen a lot of family contacts infections. In the workplace, we have seen a little bit of the workplace in a bar, a band and so on. But in the environment — living in the same building but not affected by the drainage system or the building's structures — is something that gets me, and also I believe the experts, very worried. They have to do a lot more investigation to trace the causes of these infections and to receive as quickly as possible the specimens back so that we have a better idea of the extent and the spread of the infections in the local community.

With that background and new development, I said that we will adopt a very cautious and prudent approach in dealing with the various measures that we have put in place. One is the 14-day mandatory quarantine imposed on arrivals from almost everywhere. If it is from Mainland, Macao, Taiwan, it's under Cap. 599C. If it is from foreign places, it's under Cap. 599E. regulations will expire later this month. The second batch of measures will be those trying to enhance social distancing through Cap. 599F in regard of catering and business premises, and Cap. 599G prohibiting group gatherings. I do not want to give a firm view yet because again, you know, this is Tuesday, we have an Exco meeting to follow but I can tell you that we will announce the decision very soon. It's not a matter of taking away people's freedoms. Actually public health is also part of national security. National security is not just about explosives and rifles. National security includes financial security, includes public health security. When it comes to matters like public security, people will accept, Hong Kong people willingly abide by some of the restrictions in order to protect themselves, their families and society at large.

(Please also refer to the Chinese portion of the transcript.)