

**Motion on “Facing up to the aspirations of the people
participating in the 1 July march”
Carried at the Legislative Council Meeting on 28 June 2017**

Progress Report

Purpose

At the Legislative Council meeting held on 28 June 2017, the motion on “facing up to the aspirations of the people participating in the 1 July march” moved by Hon Andrew WAN and amended by Hon Christopher CHEUNG was carried. The wording of the motion carried is as follows:

That this Council urges the SAR Government to seriously face up to the aspirations of the people participating in the 1 July march this year and other Hong Kong people, including establishing a democratic political system; maintaining a clean government; safeguarding the rule of law; manifesting ‘Hong Kong people administering Hong Kong’ and ‘a high degree of autonomy’; guaranteeing that ‘one country, two systems’ will not be distorted or deformed; improving people’s livelihood; proactively dovetailing with the economic development of the country; enhancing the business environment; and promoting the development of local industries such as industrial, commercial and financial industries in the Guangdong-Hong Kong-Macao Bay Area (including establishing places of business in the Bay Area, providing on an early and pilot implementation basis stock trading services under the Primary Equity Connect and the Southbound Trading Link and asset management services, as well as providing professional services to enterprises raising capital and listing in the Area).

2. This paper reports on the progress of the subject.

Progress

Facing up to the aspirations of the people participating in the 1 July march

3. Over the years, members of the public have been participating in various events on 1 July, which marks the Establishment Day of the Hong Kong Special Administrative Region (HKSAR), to express their different

views and aspirations. Some participate in celebration activities to commemorate Hong Kong's return to the motherland, while some take part in processions to air their views on Hong Kong's economic and livelihood issues. This has reflected the fact that Hong Kong is a free and pluralistic society. The HKSAR Government has all along been listening to the views and aspirations of different sectors of the community through various channels with a view to balancing the interests of all parties. The HKSAR Government will continue to listen humbly to and examine sincerely public aspirations so as to better serve the general public, improve their livelihood, and with Hong Kong's overall and long-term interest in mind, work in concert with the general public to promote Hong Kong's development.

Complementing the economic development of the nation and promoting the development of local industries such as industrial, commercial and financial industries in the Guangdong-Hong Kong-Macao Bay Area

4. On 1 July 2017, witnessed by President Xi Jinping, the Chairman of the National Development and Reform Commission (NDRC), Mr He Lifeng; the Chief Executive of the HKSAR, Mrs Carrie Lam; the Governor of Guangdong Province, Mr Ma Xingrui; and the Chief Executive of the Macao Special Administrative Region (MSAR), Mr Chui Sai-on, representing the NDRC, the HKSAR Government, the People's Government of Guangdong Province and the MSAR Government respectively, signed the Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Bay Area (Framework Agreement) in Hong Kong. The Framework Agreement provides that the objective of cooperation is to implement the principle of "one country, two systems" fully and accurately, improve and innovate the cooperation mechanism, establish a mutually complementary cooperation relationship, and jointly take forward the development of the Guangdong-Hong Kong-Macao Bay Area (Bay Area). The Framework Agreement also sets out the goals and principles of cooperation. As the next stage of work, the HKSAR Government will implement the Framework Agreement, support and complement the NDRC's efforts to take forward the Development Plan of the Bay Area, and provide new growth areas for Hong Kong's economic development through participating in the development of the Bay Area.

5. We consider that Hong Kong can serve as the financial services hub in the Bay Area. As the global hub for offshore Renminbi business, Hong Kong is capable of providing services relating to offshore Renminbi settlement, financing and capital management. Hong Kong makes an ideal platform for Renminbi capital and risk management as a wider choice of Renminbi

investment products is available in the market upon implementation of the Bond Connect, the Shenzhen-Hong Kong Stock Connect, the Shanghai-Hong Kong Stock Connect and the Mainland-Hong Kong Mutual Recognition of Funds Arrangement.

6. In addition, enterprises in the Bay Area can capitalise on Hong Kong's sophisticated financial infrastructure to "go global" by setting up corporate treasury centres in Hong Kong to carry out capital and risk management activities for their overseas business, and establishing captive insurance companies in Hong Kong to enhance efficiency in risk management. Further, Hong Kong's stable and mature capital market offers a full range of investment and financing options to enterprises in the Bay Area. To enhance the competitiveness of the listing platform in Hong Kong, the Hong Kong Exchanges and Clearing Limited has conducted market consultation on the conceptual proposals regarding establishment of a New Board and the proposed reform to the Growth Enterprise Market, and is reviewing the submissions received.

7. We will seek to, through the planning of the Bay Area, strengthen the connectivity of financial services within the area, develop additional cross-border financing services to tie in with the growth of enterprises in the area, and lower the thresholds of Hong Kong financial institutions (including securities companies) entering the Bay Area.

**Constitutional and Mainland Affairs Bureau
Financial Services and the Treasury Bureau
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