For discussion on 20 May 2024

Legislative Council Panel on Constitutional Affairs Strengthening Regional Co-operation with the Mainland

Purpose

This paper briefs members on the relevant arrangements of strengthening regional co-operation with the Mainland during the process of Hong Kong's integration into the national development.

Background

Integration into the National Development

President Xi Jinping has emphasised time and again that 2. Hong Kong's integration into national development is the rightful meaning of "One Country, Two Systems" and the key to the new direction, new space and new impetus for the future development of the Hong Kong Special Administrative Region (HKSAR). The HKSAR Government fully understands that Hong Kong's destiny has always been closely connected with the Motherland, and national development has always been the greatest support for Hong Kong's development. At the end of 2022, the Chief Executive (CE) actively established and chaired the Steering Group on Integration into National Development (Steering Group) with the three Secretaries of Departments as deputies. The Steering Group adopts the three-pronged approach of conducting research, planning and co-ordination, as well as supervision on implementation. Under the principles of being proactive and pragmatic as well as achieving mutual benefits, the

Steering Group co-ordinates and takes forward at the top level the formulation and implementation of various policy measures, with a view to actively dovetailing with national strategies such as the National 14th Five-Year Plan, development of the Guangdong-Hong Kong-Macao Greater Bay Area and high quality development of the Belt and Road Initiative, thereby injecting continuous impetus to the growth of Hong Kong.

Regional Co-operation Mechanisms between Hong Kong and the Mainland

3. In addition, Hong Kong has kept strengthening cooperation with various regions in the Mainland. Hong Kong has been actively enhancing co-operation in the areas of culture, and investment, etc., with and different municipalities and autonomous regions thereby promoting the high quality development of both sides, as well as that of the regions and the country. At central level, for regional cooperation between the HKSAR and the Mainland, the Hong Kong and Macao Work Office of the Communist Party of China (CPC) Central Committee co-ordinates the discussions on policy proposals in different areas with the relevant central ministries. The policies will be submitted to the Central Government for approval when they are mature. At regional level, the five Mainland Offices and the 11 Liaison Units of the HKSAR Government stay in close touch with the governments of provinces, municipalities, and autonomous regions and continue to explore and promote the co-operation between Hong Kong and them through visits to Mainland authorities, organisations and At present, the HKSAR has already established enterprises. regional co-operation mechanisms with Beijing, Shanghai, Guangdong, Shenzhen, Fujian, Sichuan, Hubei, Chongqing and Pan-Pearl River Delta Region, with a comprehensively deepening co-operation in various areas including finance, economic and trade, innovation and

technology, transportation, healthcare, culture, tourism and education, etc.

4. Under these co-operation mechanisms, the HKSAR Government and the Mainland provincial and municipal governments hold regular or irregular meetings to promote mutual development and co-operation in a comprehensive, multifaceted and in-depth manner, and continue to explore future development directions and open up more co-operation opportunities. The current-term Government fully understands the importance of reinforcing regional co-operation with the Mainland. Therefore, at the beginning of this term of government, it has actively followed up and strengthened co-operation with provinces and municipalities under the co-operation mechanisms. The details are as follows:

Co-operation Meetings

Hong Kong/Shenzhen Co-operation Meeting

5. The Chief Secretary for Administration (CS) and the Mayor of the Shenzhen Municipal Government, Mr Qin Weizhong, co-chaired the Hong Kong/Shenzhen Co-operation Meeting 2023 in Hong Kong on 22 February 2023. At the meeting, the Hong Kong and Shenzhen sides conducted in-depth exchanges on various key areas including the Northern Metropolis development, innovation and technology, financial services, education, tourism, commerce and investment promotion, Qianhai development, professional services, cross-boundary infrastructure, youth development, environmental protection and healthcare, etc. Both sides also witnessed the signing of three co-operation documents, covering the co-operation in the areas of financial services, education and tourism, etc.

Hong Kong/Guangdong Co-operation Joint Conference

The CE and the Governor of the Guangdong Province, Mr 6. Wang Weizhong, co-chaired the 23rd Plenary of the Hong Kong/Guangdong Co-operation Joint Conference in Hong Kong on 21 March 2023. The then Deputy Director of the Hong Kong and Macao Affairs Office of the State Council, Mr Yang Wanning, and the Deputy Director of the Liaison Office of the Central People's Government in the HKSAR, Mr Yin Zhonghua, also attended the meeting as special guests. At the meeting, the Hong Kong and Guangdong sides reached consensus to further enhance co-operation in the areas of innovation and technology, financial services, the Northern Metropolis development, commerce and investment promotion, cross-boundary transport and logistics, talents, healthcare, education, culture, youth development and civil service exchange, etc. Both sides also witnessed the signing of five co-operation documents, covering the co-operation in the areas of innovation and technology, smart city, financial services, labour inspection and regulation of drugs and medical devices, etc.

Hong Kong/Chongqing Co-operation Conference

7. Hong Kong/Chongqing Co-operation Conference is the first high-level co-operation mechanism established by the HKSAR Government with the provinces and municipalities in the Mainland since the current-term Government has taken office. It is also the ninth such mechanism set up with the HKSAR Government and Mainland provinces/municipalities/regions. On 11 May 2023, the CE led the HKSAR Government delegation to attend the High-Level Meeting cum First Plenary Session of the Hong Kong/Chongqing Co-operation Conference (meeting-cum-plenary) in Chongqing with the delegation of Chongqing Government led by the Party Secretary of the Chongqing Municipal Committee of the CPC, Mr Yuan Jiajun. The Deputy Director of the Hong Kong and Macao Affairs Office of the State

Council Mr Wang Linggui, also attended the meeting-cumplenary. The government delegations of both sides signed the "Hong Kong/Chongqing Co-operation Conference Mechanism" and the "Co-operation Memorandum of the High-Level Meeting cum First Plenary Session of the Hong Kong/Chongqing Co-operation Conference" to pursue holistic co-operation to serve the country's high quality development and carry out in-depth co-operation in a total of 47 items covering 11 co-operation areas. In addition, two co-operation agreements covering the areas of commerce and trade, and innovation and technology were also signed by government departments and statutory bodies of the two places.

Hong Kong/Fujian Co-operation Conference

On 28 June 2023, the CS and the Executive Vice Governor of Fujian Province, Ms Guo Ningning, leading delegations of the governments of the HKSAR and Fujian respectively, held the Fourth Plenary Session of the "Hong Kong/Fujian Co-operation" Conference" in Hong Kong. The two sides signed the "Cooperation Memorandum of the Fourth Plenary Session of the Hong Kong/Fujian Co-operation Conference" and agreed to pursue co-operation in a total of 21 items covering ten areas at the The two governments will continue to pursue Plenary Session. wide-ranging co-operation on the principle of 'highlighting key points, leveraging on strengths, being pragmatic and innovative, and achieving mutual benefits through co-operation'. addition, three co-operation agreements covering the areas of culture, education, and economic and trade were also signed by government departments and statutory bodies of the two places.

Pan-Pearl River Delta (PPRD) Regional Co-operation

9. The PPRD Regional Co-operation Chief Executive Joint Conference (PPRD Joint Conference) comprises nine provinces

and region in the PPRD, namely Fujian, Jiangxi, Hunan, Guangdong, Guangxi, Hainan, Sichuan, Guizhou, Yunnan, and the Hong Kong and Macao Special Administrative Regions. The CE led the HKSAR Government delegation to participate in the PPRD Joint Conference held in Guiyang, Guizhou on 7 July 2023, and had exchanges with PPRD members on the main theme of the Joint Conference, namely "Embark on New Journey and Pursue New Prospects through Co-operation", and three discussion topics. In addition, the CE and the HKSAR Government delegation also seized the opportunity of this important regional co-operation platform to have bilateral meetings with eight participating provinces and autonomous region.

Hong Kong/Beijing Co-operation Conference

The Fifth Plenary Session of the Hong Kong/Beijing Co-10. operation Conference took place in Hong Kong on 29 November Deputy Director of the Hong Kong and Macao Affairs 2023. Office of the State Council and Director of the Liaison Office of the Central People's Government in the HKSAR, Mr Zheng Yanxiong, also attended the plenary. Leading the delegations of the governments of the HKSAR and Beijing respectively, the CE, Mr John Lee, and the Mayor of Beijing, Mr Yin Yong, signed the "Co-operation Memorandum of the Fifth Plenary Session Hong Kong/Beijing Co-operation Conference" and agreed to pursue cooperation in a total of 23 items covering 11 areas at the Plenary In addition, four co-operation agreements covering the areas of financial service, education, youth development and food safety were also signed by government departments of the two places.

On 26 April 2024, the Chief Executive and the Mayor of 11. Shanghai, Mr Gong Zheng, leading the delegations of the governments of the HKSAR and Shanghai respectively, convened the Sixth Plenary Session of the Hong Kong/Shanghai Cooperation Conference in Hong Kong. The Deputy Director of the Liaison Office of the Central People's Government in the HKSAR, Mr Yin Zonghua and the Director of Bureau III of the Hong Kong and Macao Work Office of the Communist Party of China Central Committee and the Hong Kong and Macao Affairs Office of the State Council, Mr Zou Jinsong attended the plenary as well. At the meeting, the two sides signed the "Co-operation Memorandum of the Sixth Plenary Session Hong Kong/Shanghai Co-operation Conference", with a view to further leveraging the role of the Shanghai-Hong Kong Co-operation Conference as a key platform, deepening and expanding co-operation in various areas, and better serving national development. Hong Kong and Shanghai also reached consensus on 65 items under the 15 cooperation areas. In addition, 20 co-operation agreements were signed by government departments, statutory bodies and relevant organisations of the two places, covering the areas of legal exchanges and co-operation, financial services, healthcare, urban development, culture and art, innovation and technology, and economy and trade.

Other Agreements

12. The HKSAR Government promotes regional co-operation with the other Mainland provinces and municipalities by adopting a pragmatic approach and launching initiatives once they are ready. In June and October of 2023, the HKSAR Government signed various co-operation agreements, which cover different co-operation areas with Zhejiang and Jiangsu respectively. The relevant government departments and institutions of Hong Kong and Zhejiang also signed three co-operation agreements, covering

the areas of education, investment promotion and equine sports; the relevant government departments and institutions of Hong Kong and Jiangsu also signed four co-operation agreements, covering the areas of education, youth development, innovation and technology, and investment promotion.

Key Co-operation

13. In order to promote the development of diversified cooperation between Hong Kong and the Mainland provinces and municipalities on all fronts and in multiple areas, the joint development projects with different regions cover multiple areas currently. Some of the key co-operation areas and measures are as follows:

Financial co-operation: The Financial Services and the Treasury Bureau has extensive cooperation with the relevant Mainland financial regulatory authorities in the financial area. This includes co-operation projects in deepening mutual access with the Mainland financial market; strengthening cooperation in green finance and financial technology; and promoting talent development and exchanges. The HKSAR, as an international financial centre, provides mainland enterprises with professional financial services and effective international fundraising channels.

<u>Trade co-operation</u>: Hong Kong, as an international trade centre, has extensive co-operation with the Mainland provinces, municipalities and autonomous regions in trade. This includes co-operation projects in trade promotion, trade and investment liberalization, and trade facilitation, etc.

<u>Innovation and technology co-operation</u>: The HKSAR will continue to deepen co-operation with mainland provinces,

municipalities and autonomous regions in key areas, such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology; build more innovation and technology platforms; strengthen exchanges of technology talents; promote transformation of research and development outcomes; and jointly contribute to the development of national technology.

Legal co-operation: This includes the co-operation areas of the interface of the mechanisms and rules of the legal systems of the two places; the development and the flow facilitation of the legal talents; the expansion of exchanges of legal professional services, such as arbitration and mediation; and the support for exchanges between the legal professions of the two places, actively making good use of co-operation conferences and co-operation arrangements and other mechanisms to continuously promote Hong Kong's role as the Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region and fully integrate into national development.

Educational co-operation: There are co-operation projects in the area of education, such as academic exchanges, student exchanges, and sharing of the educational resource, etc. These projects help improve the education standards and the talent development.

Youth development: Continuously deepening and enhancing the youth exchanges and internship programs with the Mainland provinces and municipalities provides more diversified exchange and internship opportunities for the youth and allows them to personally understand the development of the country and strengthen their national identity. In addition, strengthening the promotion and support for the Hong Kong youth innovation and

entrepreneurship in the Mainland comprehensively helps the youth to actively integrate into national development.

<u>Cultural exchanges</u>: This includes exchanges and cooperation in the areas of culture and sports, such as cultural exchange activities, performing arts, cultural exhibitions, and cultural industry co-operation, etc. It helps improve the level of arts talents in the Mainland and the HKSAR, and enhance mutual understanding and friendship between the people of the two places.

City development: Strengthen the exchanges and cooperation in the areas of urban planning, construction management, and archeology and built heritage, including urban renewal; high productivity construction; sponge city development; flood protection and disaster management; conservation, revitalisation and utilisation of built heritage; sharing of archaeological research findings; and talent development, etc. These projects help promote collaboration among enterprises and professionals in the relevant fields.

Conclusion

The current-term Government has been pressing ahead with the intensifying regional co-operation with the Mainland and has been promoting co-operation in a wide range of areas with various provinces and municipalities. Positive results have been The HKSAR Government will spare no efforts in seen. the co-operation with various deepening provinces/municipalities, striving to leverage Hong Kong's distinctive advantages of the "One Country, Two Systems", "enjoying strong support of the Motherland and being closely connected to the world", to fully play its role as a "superconnector" and "super value-adder" so as to develop high quality productive forces together with various regions of the Mainland, promote mutual development and contribute to the country's high quality development.

Advice Sought

15. Members are invited to note the content of this paper.

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