



**THE SIX-MONTHLY REPORT ON HONG KONG  
1 JULY TO 31 DECEMBER 2018**

Deposited in Parliament by the  
Secretary of State for Foreign and Commonwealth Affairs

**27 March 2019**

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## FOREWORD

This is the 44th in a series of reports to Parliament on the implementation of the 1984 Sino–British Joint Declaration on the Question of Hong Kong. It covers the period from 1 July to 31 December 2018.

Hong Kong's unique legal and political status allows it to act as a bridge between mainland China and the rest of the world. Since 1997, international companies – including thousands of British firms – have continued to be attracted to Hong Kong and praise the ease of doing business there. It recently ranked fourth in the World Bank Ease of Doing Business index. Part of the attraction for businesses is the confidence they have in Hong Kong's common law system and the independence of its courts, including the presence of senior and respected judges from other common law systems in Hong Kong's Court of Final Appeal.

Since 1997, the successful implementation of 'One Country, Two Systems' has been central to Hong Kong's prosperity. It is very welcome that in the areas of business and the independence of the judiciary, the 'One Country, Two Systems' model is working well. However, I am concerned that on civil and political freedoms, Hong Kong's high degree of autonomy is being reduced. These concerns are driven by recent events, such as the banning of the Hong Kong National Party, political screening of election candidates, and the seemingly politically motivated expulsion of the *Financial Times* Asia News Editor.

It is clear to me that over recent years Hong Kong has been integrating further into the mainland in a variety of ways. In some areas such as infrastructure connectivity, this could bring economic dividends to the people of both Hong Kong and mainland China, and I note the importance that President Xi attached to 'One Country, Two Systems' when he described how Hong Kong can contribute to China's Reform and Opening Up.

I have, however, been concerned by the recent pressure being applied on Hong Kong to move towards a mainland Chinese interpretation of civil and political freedoms, under which certain subjects are effectively off-limits for discussion and debate. And while the UK Government does not support independence for Hong Kong, I am clear that freedom of speech, including on constitutional matters, is one of the rights guaranteed under the Joint Declaration. Where concerns arise, we will continue to make our views clear to the Hong Kong and Chinese Central Governments.

As well as the UK, other governments, the EU, business groups and the wider international community have continued to follow events in Hong Kong closely. I have noted the level of concern they have expressed on specific instances where rights and freedoms have been eroded. If Hong Kong is to continue to attract international businesses, and be an attractive place to live and work, then its high degree of autonomy, and the way of life that has made it unique and successful, must be maintained.

Upholding 'One Country, Two Systems' is undoubtedly the best way to ensure Hong Kong continues to play a vital role for China and the wider Asian region, and to act

as a global financial and trading centre for the rest of the world. Hong Kong remains home to more than seven million people, and deserves its reputation as a vibrant and dynamic city. I hope that, in future, Hong Kong can continue to share with the world its diverse and distinctive advantages.

The UK and China are co-signatories to the legally binding Joint Declaration. Upholding this, and supporting Hong Kong's future success, remain in both China's and the UK's interests.

**Rt Hon. Jeremy Hunt MP**

**Secretary of State for Foreign and Commonwealth Affairs**

## INTRODUCTION

This series of six-monthly reports reflects our continuing interest in developments in Hong Kong and our commitment to the faithful implementation of the 1984 Sino–British Joint Declaration. This Declaration guaranteed that, for 50 years from 1997, the Hong Kong Special Administrative Region (SAR) would enjoy a high degree of autonomy, except in foreign and defence affairs, and that it would be “vested with executive, legislative and independent judicial power.” The continuation of Hong Kong’s social and economic systems, lifestyle, and rights and freedoms is guaranteed under the Joint Declaration. This arrangement is popularly referred to as ‘One Country, Two Systems’.

The period from 1 July to 31 December 2018 saw a number of significant developments, which are covered in this report under the broad categories of:

- Constitution and ‘One Country, Two Systems’;
- Significant political developments;
- Legal and judicial developments; and
- Basic rights and freedoms.

Events that attracted a high degree of local and international attention during the reporting period include: the prohibition of the Hong Kong National Party (HKNP); the disqualification of candidates from the Legislative Council elections and Rural Ordinary elections; the refusal of a work visa extension for *Financial Times* journalist Victor Mallet, and the trial of high-profile members of the Occupy Central movement. The co-location of Chinese mainland officials in the West Kowloon station of the new high-speed rail link also continued to attract interest.

## CONSTITUTION AND ‘ONE COUNTRY, TWO SYSTEMS’

### Foreign Secretary’s visit to Beijing

Speaking at a press conference with State Councillor and Foreign Minister Wang Yi in Beijing on 30 July, the Foreign Secretary emphasised the continued importance of the Joint Declaration and said that the UK is “very much committed to the ‘One Country, Two Systems’ approach which we think has served both Hong Kong and China extremely well”.

### Chief Executive’s Policy Address

On 10 October, Hong Kong SAR Chief Executive Carrie Lam delivered her second annual policy address, ‘Striving Ahead, Rekindling Hope’. The Chief Executive set out her vision for ‘One Country, Two Systems’, saying:

*“Hong Kong has maintained its unique strengths which are protected by the Basic Law, including the rule of law, executive power, legislative power, independent*

*judicial power including that of final adjudication, human rights and freedom, etc. To ensure the robustness of the 'One Country, Two Systems', the HKSAR must uphold the 'One Country' principle and handle the relationship between the Central Government and the HKSAR correctly."*

The Chief Executive also outlined her view of the relationship between the Chinese Central Government and the Hong Kong SAR, saying:

*"I will not tolerate any acts that advocate Hong Kong's independence and threatens the country's sovereignty, security and development interests. We will fearlessly take actions against such acts according to the law in order to safeguard the interests of the country and Hong Kong."*

She stressed that the Hong Kong SAR Government had "fostered an awareness of 'One Country' in the community", and went on to say "we will make the best use of the advantage of 'Two Systems' and actively participate in the Belt and Road Initiative and the development of the Greater Bay Area."

### **40th Anniversary of Reform and Opening Up**

On 12 November in Beijing, President Xi Jinping hosted a 160-strong Hong Kong delegation led by Chief Executive Carrie Lam. Speaking during an open session, President Xi urged Hong Kong to be more active in the country's governance in the years ahead, praising Hong Kong for its "unique and irreplaceable" role in China's successful reform over the past 40 years. He called on Hong Kong to support further development and opening up by participating in initiatives such as the Belt and Road, and Greater Bay Area.

According to Xinhua, the official Chinese news agency, there followed a closed-door session where President Xi listed four "hopes" on which Hong Kong should work more actively. These hopes were to "participate in the practice of national governance, support the country's full opening up, integrate into the country's developments, and promote the international exchange between people". Xinhua also reported President Xi as saying, "Compatriots in Hong Kong and Macao should improve their systems and mechanisms for enforcing China's constitution and the basic laws of the two SARs in line with the 'One Country, Two Systems' principle".

### **Chief Executive's duty visit to Beijing**

On 17 December, the Chief Executive met President Xi as part of a duty visit to Beijing. President Xi praised Carrie Lam for leading the Hong Kong SAR Government in courageously taking up its responsibilities. According to Xinhua, President Xi said that over the past year, Carrie Lam, as head of the Hong Kong SAR Government, had firmly defended the 'One Country, Two Systems' policy and the Basic Law and had made plans for Hong Kong's long-term development. President Xi said, "We will unswervingly adhere to the policy of 'One Country, Two Systems' and support Hong Kong and Macao to integrate their development into the development of the country."

### **Debate on 'One Country, Two Systems' and the Basic Law**

The reporting period brought renewed focus on the relationship between the Chinese constitution and Hong Kong's Basic Law. Speaking at a seminar on 'One Country, Two Systems' on 14 July, Wang Zhenmin, Director of the Legal Affairs Department in the Central Government Liaison Office, said that it would be wrong to regard the Basic Law as Hong Kong's constitution. He said:

*"The constitutional order in Hong Kong must have the Chinese constitution as root and the Basic Law as supplement ... The country's constitution fully applies to Hong Kong ... apart from areas amended or replaced by the Basic Law. Hong Kong can have its own law, an independent judiciary, but it cannot have its own constitution. We respect Hong Kong's common law and the judiciary, but we have to understand, when the country deals with Hong Kong affairs, it is not according to local laws."*

Priscilla Leung, Legislative Council representative and member of the Basic Law Committee of the Standing Committee of the National People's Congress (NPCSC), said:

*"Hong Kong people should grasp a big picture of Hong Kong and the Central Government, and learn about the Basic Law by putting it into the context of the country's constitutional order. To help Hong Kong people see that big picture, promotion of the Basic Law should be conducted along with promoting the constitution."*

### **China National Constitution Day**

Speaking at an event on 4 December to celebrate China's National Constitution Day, Shen Chunyao, chairman of the Basic Law Committee of the NPCSC, emphasised the primacy of the Chinese constitution, saying that the constitution has a "mother-son" relationship with the Hong Kong Basic Law and that one cannot be separated from the other. He also said that "any acts that jeopardise national sovereignty and security, and challenge the authority of the Central Government and the Basic Law, will be deemed to have touched the bottom line, and will absolutely not be tolerated".

## **SIGNIFICANT POLITICAL DEVELOPMENTS**

### **Prohibition of the Hong Kong National Party**

The Hong Kong National Party (HKNP) was established in March 2016, with the stated aim of achieving "a self-reliant nation, an independent Hong Kong". HKNP founder Andy Chan Ho-tin was barred from running in the 2016 Legislative Council elections because of his pro-independence stance.

On 17 July 2018, the Hong Kong police force served Andy Chan Ho-tin with a document containing what they described as evidence of the threats posed by the HKNP, and which recommended banning the HKNP under the Societies Ordinance. Secretary for Security John Lee gave the HKNP 21 days to respond in writing to explain why he should not act on the recommendation of the police.

In responding to questions from the media on the matter, Mr Lee said:

*“In Hong Kong we have freedom of association, but that right is not without restrictions. According to the Hong Kong Bill of Rights Ordinance, restrictions can be made by law if it is necessary in the interests of national security or public safety, public order, the protection of public health and morals, or the protection of the rights and freedom of others.”*

Also on 17 July, a Foreign and Commonwealth Office (FCO) spokesperson said:

We note with concern the Hong Kong Special Administrative Region Government plans to prohibit the continued operation of the Hong Kong National Party. The rights to stand for election, of free speech and of freedom of association are enshrined in the Basic Law of the Hong Kong Special Administrative Region and the Hong Kong Bill of Rights.

The UK does not support Hong Kong independence, but Hong Kong’s high degree of autonomy, and its rights and freedoms, are central to its way of life, and it is important they are fully respected.

The HKNP was subsequently prohibited on 24 September, under Section 8 of the Societies Ordinance. The FCO released a subsequent statement, saying:

We are concerned by the decision of the Hong Kong SAR Government to prohibit the HKNP. This is the first time a party has been banned under the Societies Ordinance since the handover. The UK does not support Hong Kong independence, but Hong Kong’s high degree of autonomy and its rights and freedoms are central to its way of life, and it is important they are fully respected.

The US, the EU and others also issued statements expressing concern over the decision to ban the HKNP.

On 25 September, Chinese Ministry of Foreign Affairs spokesperson Geng Shuang said:

*“Certain countries and institutions have made irresponsible remarks on the Hong Kong SAR Government’s ban on the operation of the Hong Kong National Party. We express strong dissatisfaction with and firm opposition to this. ... We demand relevant countries and institutions to respect China’s sovereignty and territorial integrity, and stop interfering in the Hong Kong affairs and China’s internal affairs under the pretext of freedom of speech and association.”*

Debate in Hong Kong has focused on whether the HKNP had previously advocated violence to achieve its aims, as suggested by the police report, and whether its advocacy was sufficient to invoke the Societies Ordinance. Andy Chan Ho-tin launched a legal appeal against the decision.



It is clear that the Chinese Central Government considers discussion of Hong Kong independence to be a threat to national security, and that such discussion should therefore not be tolerated. The Hong Kong SAR Government has followed the same policy. The prohibition of the HKNP is an example of the increasing restrictions on freedom of speech in this area.

### ***Financial Times* journalist refused renewal of work visa**

On 3 August, Victor Mallet, the acting president for the Hong Kong Foreign Correspondents' Club (FCC) and the *Financial Times* Asia News Editor, confirmed in the local media that the Chinese Ministry of Foreign Affairs had approached the FCC asking it to cancel a talk by HKNP founder Andy Chan Ho-tin. On 4 August, former Hong Kong SAR Chief Executive CY Leung wrote an open letter to Mr Mallet expressing his concern.

In a statement on 6 August, the FCC responded by saying: "We believe that in free societies such as Hong Kong, it is vitally important to allow people to speak and debate freely, even if one does not agree with their particular views."

On 14 August, after the initial proposal to ban the HKNP but before its prohibition, the speech by Andy Chan Ho-tin went ahead.

On 5 October, Victor Mallet was refused a renewal of his Hong Kong work visa. The Hong Kong SAR Government declined to give an explanation, either to Mr Mallet or in response to a request by the British Consul General, stating that the Immigration Department would not disclose the individual circumstances of the case or the considerations of the decision.

The Foreign Secretary made a statement on 9 October, in which he said:

I remain very concerned by the Hong Kong authorities' unprecedented rejection of a visa for senior British journalist Victor Mallet. In the absence of an explanation from the authorities, we can only conclude that this move is politically motivated.

This undermines Hong Kong's freedom of speech and freedom of the press, both guaranteed by the Joint Declaration, and the Basic Law, and increases the pressure on the 'One Country, Two Systems' framework.

I urge the Hong Kong authorities to reconsider this decision. Confidence in Hong Kong's rights and freedoms is an essential component of its future success.

In a statement on 8 October, American Chamber of Commerce President, Tara Joseph, commented, "The rejection of a renewal of work visa for FT correspondent Victor Mallet sends a worrying signal. Without a free press, capital markets cannot properly function, and business and trade cannot be reliably conducted."

The British Chamber of Commerce also released a statement on 12 October, saying:

*“The Chamber has noted the decision not to renew the work visa of Victor Mallet of the Financial Times, and the concerns this raises about freedom of expression and information in Hong Kong. Hong Kong’s rights and freedoms under One Country Two Systems, including of speech, expression and information, along with the rule of law, are core features of its special status. The Chamber is a business organization. From that perspective we see these rights and freedoms as key aspects of Hong Kong’s success and competitiveness as an international business centre, and its attractiveness to international business investment.”*

On 8 November, on a subsequent visit to the territory, Victor Mallet was refused entry to Hong Kong as a tourist. He was deported from Hong Kong a few hours later.

In an interview with the *South China Morning Post*, published on 9 November, visiting FCO Minister for Asia and the Pacific, the Rt Hon. Mark Field MP, while lauding Hong Kong’s open economy, said, “My concern ... is that these high-profile cases, of undermining freedom of speech, and the freedom of the press, can only potentially undermine that economic success.”

In a press conference on 9 November, Secretary for Security John Lee said, “This is no different from the immigration authorities of other governments. We will not disclose the details of individual cases ... This case has nothing to do with freedom of expression or freedom of the press.”

The Chinese Central Government’s clear opposition to the FCC discussion increased significantly the media and wider profile of the event. The Hong Kong SAR Government’s subsequent refusal of Mr Mallet’s visa has been widely interpreted as a politically motivated reprisal, and attracted considerable media coverage in many countries, including the UK, the EU, the US, Canada and Australia.

### **Legislative Council West Kowloon by-election**

A by-election was scheduled for November in the West Kowloon district to fill the seat vacated by Lau Siu-lai, following her disqualification from taking office in 2016 in relation to her oath-taking. Lau Siu-lai’s disqualification was reported in the six-monthly report covering 1 July to 31 December 2016.

On 12 October, the West Kowloon Returning Officer barred Lau Siu-lai from standing for election to her former seat on the basis that her support for self-determination for Hong Kong was at odds with the principle of ‘One Country, Two Systems’ and the Basic Law. The Returning Officer noted the removal of calls for self-determination from her election platform but believed such a move did not constitute a genuine change of political view.

The Hong Kong SAR Government issued a statement supporting the Returning Officer’s decision. On 29 October, during a Legislative Council panel meeting, Secretary for Justice Teresa Cheng confirmed that the Department of Justice had given legal advice to the Returning Officer in order to inform the decision.

Commenting on the decision during a radio interview on 13 October, Hong Kong Chief Executive Carrie Lam said that there was “no room for inclusion” in Hong Kong for anyone who backed self-determination or independence, and that in her view, “a

person who upholds independence, self-determination as a choice shall not aspire to be a lawmaker”.

On 25 November, the day of the election, pro-establishment candidate Rebecca Chan Hoi-yan won the West Kowloon seat with 49.5% of the vote. Labour Party candidate Lee Cheuk-yan came second with 43% of the vote and independent candidate Frederick Fung was placed third, with 5.8%.

Lau Siu-lai became the ninth potential political candidate in Hong Kong since 2016 to be disqualified from participating in elections based on holding political beliefs which the Returning Officer judged not to be in accordance with the law. Eddie Chu Hoi-dick became the tenth shortly afterwards (see next section).

### **Disqualification of Eddie Chu Hoi-dick from rural ordinary elections**

On 2 December, potential candidate Eddie Chu Hoi-dick was disqualified from participating in the Rural Ordinary Elections, due to take place in January 2019. In Hong Kong, it is possible to serve as both a rural (village) representative, a district councillor and a member of the Legislative Council at the same time. Chu is a serving member of the Hong Kong Legislative Council, having been elected in 2016, when he gained the highest number of votes of any candidate in a geographical constituency.

In explaining their decision, the Returning Officer said that Chu “can be understood as implicitly confirming that he supports that independence could be an option for Hong Kong people, in the pretext of exercising the alleged right to advocate independence in a peaceful manner”.

It is the first time that an incumbent Hong Kong legislator has been disqualified from running for another election owing to their political beliefs. Chu’s publicly stated position is: “I do not support Hong Kong independence, but Hong Kong people should decide their own fate and future.”

Speaking at a press conference, Chief Executive Carrie Lam stated that there were no plans to review Eddie Chu Hoi-dick’s seat in the Legislative Council. She announced that the Hong Kong SAR Government would undertake an internal review of the election guidelines, to ensure that existing legislation could respond to new situations.

A Hong Kong SAR Government spokesperson expressed the Government’s support for the Returning Officer’s decision, and further stated that “there is no question of any political censorship, restriction of the freedom of speech or deprivation of the right to stand for elections”.

## **LEGAL AND JUDICIAL SYSTEM**

### **Co-location of Chinese mainland officials at West Kowloon rail terminus**

On 22 September, Chief Executive Carrie Lam and Governor of Guangdong Province Ma Xingrui jointly hosted the opening ceremony for the Hong Kong section of the Guangzhou–Shenzhen–Hong Kong Express Rail Link. The new rail link is expected to serve more than 80,000 commuters daily and will reduce travel time between Hong Kong and Shenzhen to 14 minutes. It is believed that the increased transport connectivity provided by the rail link will also increase economic cooperation in the Greater Bay Area.

However, the legal basis for establishing a joint checkpoint for the rail link continued to attract attention. The co-location of Chinese mainland officials in the West Kowloon rail terminus allows mainland Chinese law to be practised within the Hong Kong SAR in a ‘Mainland Port Area’ of 109,000m<sup>2</sup> in the West Kowloon terminus, and within the 26km of track connecting the West Kowloon terminus with the mainland. This led to a legal challenge of whether these arrangements are in line with the Basic Law.

As set out in previous six-monthly reports to Parliament, in December 2017, the NPCSC, China’s highest law-making authority, issued a Decision approving the co-location arrangements in the West Kowloon rail terminus. The NPCSC offered a Decision which appeared to interpret the Basic Law, without being formally requested to do so by the Hong Kong courts under the Article 158 consultation process. There has been intense debate about whether the NPCSC Decision is legally binding on the Hong Kong courts and whether it has the same status as a formally requested interpretation.

Five people filed legal cases asking for a judicial review of the ordinance establishing the joint checkpoint arrangement in the West Kowloon rail terminus. The cases were heard together by the Court of First Instance (CFI). On 13 December, the CFI ruled that the joint checkpoint arrangement in the West Kowloon rail terminus was in line with the Basic Law and could remain in operation.

Judge Anderson Chow Ka-ming said in his judgment that the NPCSC Decision “should be regarded as having high persuasive value”. However, the judgment by the CFI did not seek to address whether the NPCSC decision was legally binding upon Hong Kong courts. The judgment stated, “It would not be appropriate for me, sitting at first instance, to determine questions concerning the status and legal effect of the NPCSC Decision under Hong Kong laws which may have far reaching implications but are not strictly necessary for my decision.”

### **Prosecution of the Occupy Central movement founders**

The trial of three Occupy founders, Prof. Benny Tai Yiu-ting, Dr Chan Kin-man and Rev. Chu Yiu-ming, and a further six activists began on 19 November. The trio face three charges – of inciting others to cause a public nuisance; of inciting people to further incite others; and conspiracy to create a public nuisance. Each charge carries a maximum penalty of seven years in prison.

Five further activists, including two serving members of the Legislative Council, Tanya Chan and Shiu Ka-chun, face charges of inciting others to cause a public nuisance and of inciting people to further incite others. Finally, former Legislative

Council member Lee Wing-tat was charged with inciting others to cause a public nuisance.

On 13 November, six UK Members of Parliament sponsored an Early Day Motion, which expressed concern over the trial, including the “vague and ambiguous charges” and condemned “the use of common law charges apparently intended to intimidate and silence pro-democracy figures”.

Responding to questions from journalists on 19 November, Chief Executive Carrie Lam said:

*“These are the prosecution decisions made by the relevant department under the premise of judicial independence and the rule of law in Hong Kong. Under the Basic Law, prosecution decisions lie only with the Secretary for Justice. As the Chief Executive, I will not decide on or interfere with a prosecution decision. Any request made by foreign governments or for foreign parliamentarians to ask us to change our decision on prosecution is obviously an intervention in Hong Kong’s internal affairs. It is very unacceptable.”*

The trial concluded on 14 December, with the verdict due on 9 April 2019.

### **Limiting public access to Civic Square**

Civic Square is located in front of the Hong Kong SAR Government offices. In 2014, activists sought to block Civic Square shortly before the Occupy protests. The Hong Kong SAR Government subsequently barred the public from entering Civic Square. These restrictions were partially lifted in December 2017, allowing public events from 10:00 to 18:30 on Sundays and public holidays. On 19 November this year, the High Court ruled that the Hong Kong SAR Government’s policy to limit the public’s access to Civic Square was unconstitutional. The judgment found that the practice infringed the public’s rights under the Basic Law and Bill of Rights. On 20 November, Chief Executive Carrie Lam announced that the Hong Kong SAR Government would produce revised guidelines on the use of Civic Square.

This case is a notable example of the judicial system finding against the Hong Kong SAR Government on a sensitive rights issue, and of the Hong Kong SAR Government abiding by the decision, demonstrating the continued strength of the rule of law in Hong Kong. It is also an example of where the courts have upheld the right to freedom of assembly, as guaranteed by the Joint Declaration.

### **Judicial appointments**

On 20 July, the Hong Kong SAR Government announced that the term of the non-permanent Court of Final Appeal (CFA) judge, the Right Hon. Lord Millett, would be extended for three years until 28 July 2021. In September, the Hon. Mr Justice Syed Kemal Shah Bokhary and the Right Hon. Lord Phillips of Worth Matravers both had their terms as non-permanent CFA judges extended for three years until October 2021. On 19 December, the term of the Right Hon. Lord Hoffmann as a non-permanent CFA judge was extended until 12 January 2022.

The willingness of foreign judges to participate in Hong Kong's judicial system is a good indicator of the robustness of the system, and the high regard in which it is held.

## **BASIC RIGHTS AND FREEDOMS**

### **Cancellation and reinstatement of panel discussion by author Ma Jian**

In November, the Hong Kong Literary Festival was due to host two panel discussions with the author Ma Jian. Ma Jian is a British passport holder based in London, and has permanent Hong Kong residency. His books are banned in mainland China.

On 8 November, Timothy Calnin, director of the Tai Kwun venue where the event was due to be held, announced that Tai Kwun could no longer host the talks, saying, "We do not want the venue to become a platform to promote the political interests of any individual." Tai Kwun was criticised in the press, including by the Hong Kong Journalists Association (HKJA), for apparent self-censorship. The following day, Tai Kwun released a further statement, announcing that it had been unable to find an alternative venue, and that "Mr Ma has made public statements which clarify that his appearances in Hong Kong are as a novelist and that he has no intention to use Tai Kwun as a platform to promote his personal political interests". Mr Ma's entry to Hong Kong and the subsequent panel debates in Tai Kwun passed without incident.

Speaking at a press conference ahead of the talks, Mr Ma said, "This time we all feel that the incident shows the failure of self-censorship. We have found something common among ourselves, which is, we understand the importance of freedom of expression, and we understand self-censorship could hurt us all." Chief Executive Carrie Lam expressed her satisfaction that the issue had been resolved and reiterated that the Hong Kong SAR Government would support freedom of speech, but could not control decisions made by individual venue owners.

### **Universal Periodic Review**

The Universal Periodic Review is a United Nations mechanism to evaluate the human rights situation in a given country. On 6 November, China underwent its third Universal Periodic Review.

Four countries submitted questions relating to Hong Kong in advance of the Universal Periodic Review and 12 countries mentioned Hong Kong in their floor statements, covering topics such as freedom of expression and political participation. The UK raised Hong Kong in its national statement, saying: "We urge China to respect the rights and freedoms guaranteed by the Sino-British Joint Declaration in Hong Kong."

The Hong Kong SAR Chief Secretary for Administration Matthew Cheung represented Hong Kong at the proceedings. In responding to Member States' questions, he said:

*“We are firmly committed to protecting press freedom. We do not exercise any censorship ... we maintain an environment conducive to the operation of a free and active press. Some 80 foreign media organisations operate in Hong Kong and rigorously perform their role as a watchdog.”*

*“As for the eligibility for running in the Legislative Council election, upholding the Basic Law and swearing allegiance to HKSAR is a basic legal duty of a legislator. One cannot do so if one promotes ‘Hong Kong independence’ or ‘self-determination’ or advocates independence as an option.”*

The amount of attention directed towards Hong Kong through the Universal Periodic Review process is in contrast to China’s last review in 2013, when no countries made recommendations on Hong Kong. This reflects the growing concern from the international community about the pressures on rights and freedoms in the Hong Kong SAR.

## **Equality**

There were further developments in two high-profile cases relating to equal rights for same-sex partners.

In a landmark ruling, the CFA reached a verdict on the ‘QT’ case. QT, a gay expatriate and British citizen, had in June 2014 been refused a dependant visa on the grounds that Hong Kong does not recognise same-sex marriage. She challenged the Hong Kong Immigration Department’s decision. On 4 July this year, the CFA found in her favour, meaning that same-sex couples in Hong Kong can now be granted lifelong spousal visas. A Hong Kong SAR Government spokesperson said, “The Government respects the Court of Final Appeal’s judgment. We are studying the judgment carefully and shall seek legal advice as necessary on follow-up actions.”

Hong Kong’s Equal Opportunities Commission called on the Hong Kong SAR Government to start a public consultation on legislation against discrimination based on sexual orientation and gender identity, and to review existing policies and laws concerning same-sex relationships. Pro-establishment legislator Priscilla Leung said that the verdict amounted to “de-facto legalisation of same-sex marriage” and encouraged legislators to give “serious thought to amending the relevant laws to plug loopholes”.

Separately, on 24 September, Hong Kong civil servant Angus Leung was granted permission to take his case to the CFA. Leung is seeking spousal benefits from the Hong Kong SAR Government for his same-sex partner, whom he married in New Zealand in 2014.

## **Marches and protests**

Regular marches and protests took place during the reporting period, as is normal for Hong Kong. Those of particular note included:

- Local media reported that on 13 July, hundreds of people had gathered for a candlelight vigil to commemorate the anniversary of the death of Chinese dissident and Nobel Peace Prize winner Liu Xiaobo.
- On 28 September, organisers estimated that 3,000 people gathered with banners and yellow umbrellas to mark the fourth anniversary of the Occupy movement.
- On 1 October, Chinese National Day, roughly 1,250 people gathered outside the Hong Kong SAR Government headquarters to protest against construction scandals in the Sha Tin to Central metro line and to call for greater democracy.
- On 14 October, police estimated that 5,800 people protested against the Hong Kong SAR Government’s plans to create an artificial island east of Lantau, with a projected cost of HK\$500 billion.
- The annual Hong Kong Pride Parade took place on 17 November, which included representatives from the British Consulate-General. Organisers said that approximately 12,000 people took part, with police putting the figure at 4,300.

## **OTHER REPORTS**

On 29 July, the Hong Kong Journalists Association (HKJA) published its annual report. Chris Yeung, chairperson of the HKJA, stated that Hong Kong people increasingly felt that the “China factor” had caused shrinkage of the room for free speech and a free press.

On 10 October, the US Congressional Executive Commission on China released its annual report. The report stated that the Commission had observed a continued erosion of Hong Kong’s autonomy.

On 14 November, the US–China Economic and Security Review Commission published its annual report to Congress. The report generated significant interest in Hong Kong because of its recommendation to examine and assess the adequacy of US export control policy for dual-use technology as it relates to US treatment of Hong Kong and China as separate customs areas. The report expressed concern over the Chinese Central Government’s increasing encroachment on Hong Kong’s autonomy, and highlighted that the export of sensitive US technology to Hong Kong is also predicated by the territory’s separation from the mainland. A Hong Kong SAR Government spokesperson expressed regret at the conclusions in the report, believing them to be “biased” and “unfounded”, and stated that “Hong Kong is a separate customs territory and we remain committed to enforcing strategic trade controls.”

## **UK/HONG KONG BILATERAL RELATIONS**

The UK and Hong Kong continued to enjoy strong bilateral ties during the reporting period. Selected examples and highlights of the ongoing exchanges are listed below.

### **Visits**



During his visit from 9 to 11 November, FCO Minister for Asia and the Pacific, the Rt Hon. Mark Field MP, met Hong Kong Chief Secretary Matthew Cheung, cross-party legislators, the Deputy Chief Justice, British business leaders, lawyers and journalists, as well as young Hongkongers. There were also visits to Hong Kong from the Foreign Affairs Committee of the House of Commons and from Sir Simon McDonald, the Permanent Under-Secretary and Head of the Diplomatic Service at the FCO.

From Hong Kong a large delegation of legislators visited the UK from 10 to 14 September and met UK parliamentarians, members of the Scottish Parliament and UK Government officials to discuss a range of issues relating to constitutional, political and bilateral matters. Chief Secretary Matthew Cheung visited the UK from 26 to 28 September to attend the Hong Kong Trade Development Council's annual dinner and to undertake a wide-ranging bilateral programme, including the signing of a Memorandum of Understanding on Cultural Cooperation with the UK Secretary of State for Digital, Culture, Media and Sport, the Rt Hon. Jeremy Wright MP.

### **Trade and investment**

In November 2018, according to official Hong Kong SAR Government data, the UK became the number one European exporter to Hong Kong, overtaking Germany. The value of UK exports to Hong Kong had increased by 15%, compared with the figures of December 2017, rising from HK\$50.37 billion to HK\$58.17 billion.

Two commercial events during the reporting period further underlined the UK and Hong Kong's close and important trading partnership. During the Hong Kong Trade Development Council's annual Maritime Week in November, the first-ever London Maritime Day celebrated ties between the UK and Hong Kong. Secretary for Housing and Transport Frank Chan chaired a discussion with Maritime London Chairman Lord Mountevans to discuss closer collaboration between the two hubs. One month later, the organisers of the Hong Kong Design Council's annual Business of Design Week announced the UK as the official partner country for 2019. Such events demonstrate the ongoing and significant commercial relationship between the two markets.

### **Culture**

On 22 August, the British Council launched Building Research Innovation for Community Knowledge and Sustainability (BRICKS). BRICKS supports research and knowledge exchange in the field of social innovation, and is funded by a HK\$3 million grant from the Hong Kong SAR Government.

Study UK exhibitions, held between July and December, featured roadshows, pre-departure briefings and information sessions for Hong Kong students. These sessions were attended by 232 UK education institutions and attracted 11,936 visitors.

From 4 to 12 November, the British Council organised a cultural skills programme in the UK for the Hong Kong SAR Government. Six senior museum curators from the major museums in Hong Kong participated. The programme consisted of round-table

discussions, practice-based visits, and networking sessions with senior staff from the British Museum, V&A Museum, Science Museum, and Arts Council England. The Hong Kong curators also attended the Museum Association Conference 2018 in Belfast.

## **CONCLUSION**

The Foreign Secretary's six-monthly reports to Parliament reflect the UK Government's continued commitment to the faithful implementation of the Sino–British Joint Declaration on Hong Kong, an international treaty to which the UK is a party.

'One Country, Two Systems' has served Hong Kong and China extremely well in the past and can continue to do so in future. As Chief Executive Carrie Lam set out in her policy address, the rule of law, independent judicial power, and human rights and freedoms all form part of Hong Kong's unique strengths.

Some of the events set out in this report are of significant concern and undermine confidence in Hong Kong's freedom of speech, freedom of the press, and freedom of assembly. These freedoms are protected under the Sino–British Joint Declaration. It is essential that they are maintained, respected and remain undiminished.

Upholding the rights and freedoms set down in the Joint Declaration is an enduring commitment, and it continues to be the best way to guarantee Hong Kong's future stability and prosperity, and to continue the benefits that Hong Kong brings to the rest of China and to the wider world.

As a co-signatory, the UK will continue to meet its obligations to monitor and report on the implementation of the Joint Declaration.

## LIST OF ABBREVIATIONS

BRICKS	Building Research Innovation for Community Knowledge and Sustainability
CFA	Court of Final Appeal
CFI	Court of First Instance
FCC	Foreign Correspondents' Club
HKJA	Hong Kong Journalists Association
HKNP	Hong Kong National Party
HKSAR	Hong Kong Special Administrative Region
NPCSC	Standing Committee of the National People's Congress
SAR	Special Administrative Region