

# THE SIX-MONTHLY REPORT ON HONG KONG 1 JANUARY TO 30 JUNE 2023

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

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#### **FOREWORD**

The Sino-British Joint Declaration is a UN-registered, legally binding treaty. In it, the Government of the People's Republic of China made a set of promises. They promised to uphold the rights and freedoms enjoyed by the people of Hong Kong. They promised to uphold Hong Kong's autonomy. And they promised to do so for a period of at least fifty years.

During my visit to Beijing, I was unequivocal. As a co-signatory, the UK remains fully committed to ensuring the promises made by both countries in the Joint Declaration are upheld. We expect China to do the same, yet the disappointing reality is that China remains in an ongoing state of non-compliance.

Hong Kong's economic, monetary and financial systems remain distinct and robust. However, China has chosen to curtail and control many of the rights and freedoms enshrined in the Joint Declaration and Hong Kong's Basic Law under the guise of national security.

That leaves China with a choice. As an international financial centre, Hong Kong's success relies on the rule of law and the independence of its respected institutions.

The authorities have extended the application of the National Security Law (NSL) beyond genuine national security concerns. For example, the authorities continue to try to use legal routes to suppress the song 'Glory to Hong Kong'.

Arrests under the NSL and sedition laws continue at pace. The trial of the 'NSL 47', the largest national security case to date, is nearing a conclusion. Everyone tried so far under the NSL has been found guilty.

British national Jimmy Lai's national security trial has been further delayed. His prosecution is highly politicised and I raised his case in Beijing last month. We continue to press for consular access. The international community is paying close attention to his case and many others. We urge the Hong Kong authorities to uphold the rule of law and to comply with international norms and standards.

The targeted persecution of people with dissenting views persists, including overseas. On 3 July, the Hong Kong Police issued arrest warrants and bounties against individuals in the UK and elsewhere.

We will not tolerate any attempts to intimidate and silence people in our country. The UK will always defend universal human rights, including freedom of expression, association and peaceful assembly and we will stand up for those who are targeted.

Hong Kong's legal and judicial systems are at a critical juncture. As test cases proceed through the courts, new legal precedents are being established. Hong Kong's courts remain independent, but they are having to adjudicate on an opaque NSL that places the authority of the Chief Executive on security matters above that of their own.

Changes to electoral legislation announced on 2 May became law on 10 July. The reduction of directly elected District Council seats from 452 to 88 is a further step away from universal suffrage in Hong Kong.

This newly expanded report clearly evidences how China is breaking its promises. Our unstinting efforts to shine a light on the realities of the situation in Hong Kong reflect our enduring commitment to Hong Kong's people and their future. Nothing could be more vital for Hong Kong's international reputation – and its way of life – than retaining its promised high degree of autonomy and protecting all rights and freedoms.

Secretary of State for Foreign, Commonwealth and Development 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 Sino-British Joint Declaration. This arrangement was popularly referred to as 'One Country, Two Systems'. The report structure is based on Annex I of the Joint Declaration, which outlines the commitments made by the Chinese Government.

The reporting period from January to June 2023 saw the Hong Kong SAR Government's lifting of its final Covid-19 restrictions. Despite this, freedom of assembly remained limited. A few small-scale public gatherings, demonstrations and protests took place with new police requirements imposed on participants. Groups withdrew all applications to hold Labour Day marches. Commemoration of the 1989 Tiananmen Square Massacre remained restricted. The SAR Government commentary in the lead up to the anniversary and a heavy police presence in Victoria Park, the traditional location of the Tiananmen vigil in Hong Kong, strongly discouraged acts of commemoration.

In May, the Legislative Council passed an amendment to the Legal Practitioners Ordinance. This changed the existing process for allowing barristers not admitted to the Hong Kong Bar to participate in legal cases in Hong Kong. They can no longer be admitted to cases concerning national security, unless the Chief Executive rules it an "exceptional circumstance". Separately, the High Court dismissed Jimmy Lai's two legal appeals against the National Security Committee's decision to bar British barrister Timothy Owen KC from representing Lai.

The electoral system of Hong Kong was subject to further changes. In May, the Hong Kong SAR Government proposed electoral changes for District Councils, reducing the number of directly elected seats from 452 to 88 and creating a new vetting mechanism. An amendment bill was published in the Government Gazette pending legislative scrutiny in July. Also in May, Hong Kong's second largest pro-democratic political party, the Civic Party, voted to disband.

At least four NSL cases concluded in the courts. All were tried without jury and all seven defendants found guilty. In February, the trial of the 47 pro-democracy politicians and activists began. The trial was still ongoing by the end of the reporting period.

The use of colonial-era sedition laws continued. In June, a Hong Kong student was reportedly charged with sedition for publishing online posts inciting Hong Kong independence.

Freedom of the press remained under pressure. A number of journalists remained on remand awaiting sentence or facing trial. Following government pressure, a local newspaper suspended publishing contributions by a prominent political cartoonist. An online news platform announced that it would cease operations following targeting by People's Republic of China (PRC) party-state media outlets. In June, a foreign journalist was denied entry to Hong Kong by immigration officials. The Court of Final

Appeal (CFA) ruled in favour of journalist Bao Choy Yuk-ling's appeal that journalism is a legitimate reason to obtain vehicle licensing information from a publicly accessible database.

Freedom of information was curtailed by increased censorship. Hong Kong Public Libraries systematically removed books "contrary to the interests of national security", including those by pro-democracy activists and politicians.

The Hong Kong SAR Government continued to maintain free market economic and trade systems during the reporting period, retaining autonomy in deciding their financial, economic, monetary, maritime and aviation policies.

With the easing of Covid-19 restrictions, visits have resumed gradually. The Hong Kong SAR executive, legislature and judiciary travelled to mainland China, including Beijing and the Greater Bay Area. Several UK-Hong Kong bilateral visits also took place.

Due to lasting changes to the political, judicial and legal systems since the imposition of the NSL in June 2020 and ongoing efforts to stifle legitimate and peaceful opposition, the UK considered China to be in a state of ongoing non-compliance with the Sino-British Joint Declaration throughout the reporting period.

#### TIMELINE OF SIGNIFICANT DEVELOPMENTS

- **6 February** The CFA rules unanimously that the Hong Kong SAR Government's policy of requiring transgender people to undergo full sex reassignment surgery to alter gender markers on Hong Kong Identity Documents is unconstitutional.
- 17 February Jimmy Lai takes legal action against the interpretation by the NPCSC on 30 December 2022 of the NSL, arguing that it should not be applied to his national security case.
- 1 March The Hong Kong SAR Government lifts the remaining Covid-19 restrictions.
- 11 March Three former Hong Kong Alliance members, including vice chair Chow Hang-tung, are sentenced to four and a half months in prison for failing to cooperate with National Security Police.
- **20 March** Three people, including a Christian pastor, are sentenced to up to ten months in prison for selling seditious publications.
- 26 March A rally against land reclamation, the first demonstration approved by the Hong Kong Police since the Hong Kong SAR Government lifted Covid-19 restrictions, takes place.
- **3-18 April** Hong Kong and Macao Affairs Office (HKMAO) Director Xia Baolong visits Hong Kong, briefing the Legislative Council from inside the chamber.
- **17 April** Activist Joshua Wong is sentenced to three months in prison for disclosing personal information online about a police officer.
- **2 May** Chief Executive John Lee announces proposed electoral changes for Hong Kong's District Councils.

- **10 May** The Legislative Council unanimously passes the Legal Practitioners (Amendment) Ordinance.
- **11 May** Local newspaper *Ming Pao* announces that it will suspend publishing contributions by a prominent political cartoonist.
- 19 May The High Court dismisses Jimmy Lai's Judicial Review, ruling that Hong Kong courts have "no jurisdiction" over the work of the local National Security Committee, and its decisions are not subject to judicial challenge.
- **27 May** The Civic Party, Hong Kong's second largest pro-democracy political party, announces its disbandment.
- **29 May** The High Court rejects Jimmy Lai's request to terminate his national security trial.
- 5 June The Hong Kong SAR Government applies for a court injunction to prohibit four types of unlawful acts related to "Glory to Hong Kong", a song written during the 2019 protests.
- 6 June The CFA rules unanimously in favour of former Radio Television Hong Kong producer Bao Choy Yuk-ling, charged with making false statements under the Road Traffic Ordinance, quashing her conviction and sentence.
- 15 June Police charge a 23-year-old woman, reportedly a Hong Kong undergraduate student studying in Japan, with sedition, for allegedly publishing posts inciting Hong Kong independence.

#### CONSTITUTION

Hong Kong's Chief Executive is selected by an Election Committee, rather than by popular vote. In 2021, China's National People's Congress Standing Committee (NPCSC) made extensive changes to Hong Kong's electoral system, introducing vetting for election candidates and reducing the number of Legislative Council members elected by the general public. In May 2022, John Lee was selected as the fifth Chief Executive of the Hong Kong SAR. He was the only candidate.

English continued to be used in official government communications and in the courts. In addition to displaying the national flag and national emblem of the People's Republic of China, the Hong Kong SAR continued to use a regional flag and emblem of its own.

During the reporting period, the Hong Kong SAR Government proposed electoral changes for District Councils, reducing the number of directly elected seats from 452 to 88. The Chinese Communist Party (CCP) formed a new Hong Kong and Macao work office to replace the Hong Kong and Macao affairs Office (HKMAO) of the State Council. Senior mainland Chinese officials, including Director of the Hong Kong and Macao Affairs Office Xia Baolong visited Hong Kong, and briefed lawmakers inside the Legislative Council chamber, becoming the first mainland Chinese official to do so. Chief Executive John Lee, along with legislators and officials, travelled to the Greater Bay Area, marking the first joint Executive and Legislative visit to mainland China.

# **District Councils: Proposed Changes to Electoral System**

Hong Kong's District Councils are largely elected by popular vote. They represent the second tier of local representation (after the Legislative Council), advising government on public facilities, services and funds.

On 25 April 2023, Chief Executive John Lee put forward proposals to restructure the councils in line with the "patriots administering Hong Kong" principle. On 2 May, the Chief Executive announced details of the proposed reform. Key changes included:

- Reducing the number of directly elected seats from 452 to 88 (fewer than 20% of the total 470 seats). The top two candidates in each of the 44 constituencies win.
- Introducing 176 indirectly elected seats, to be decided by various district-level organisations (approximately 40% of the total seats).
- Adding 179 appointed seats to be selected by the Chief Executive (approximately 40% of the total seats).
- All candidates will have to secure a minimum number of nominations from various district-level organisations and will be screened by an eligibility review committee.
- All councils will be chaired by designated government officials, instead of elected District Councillors.

On 30 May, the District Councils (Amendment) Bill 2023 was published in the Government Gazette, and introduced into the Legislative Council for First and Second Reading the next day. The Bill is subject to legislative scrutiny and further amendments.

# Formation of Hong Kong and Macao Work Office

On 16 March, the CCP released a Party and State Institutional Reform Plan which announced the formation of a Hong Kong and Macao Work Office of the CCP Central Committee, moving responsibility from the State Council to the CCP. As of the end of the reporting period, it continued to operate publicly as the HKMAO. Confirming his support for the move, Chief Executive John Lee said that the new office will exercise "the Central Authorities" overall jurisdiction over the SARs, governing Hong Kong and Macao in accordance with the law, safeguarding national security, protecting people's livelihood and well-being, and supporting the integration of Hong Kong and Macao into the national development".

# **HKMAO Director Xia Baolong's Visit to Hong Kong**

HKMAO Director, Xia Baolong, visited Hong Kong from 13 to 18 April. In his speech at the opening ceremony of the National Security Education Day on 15 April, Xia remarked that maintaining national security is "not contradictory" to expressing interests and demands, but emphasised that demonstrations and protests are "not the only way" for the public to air their views. His remarks set the tone for the wider discourse throughout the reporting period, with the Hong Kong authorities reinforcing their narrative that public activities could be "hijacked" by anti-China forces.

On 16 April, Xia visited the Legislative Council and conducted a closed-door meeting with all 90 members. This was the first time that a mainland official delivered a briefing inside the chamber. Media reported that Xia urged lawmakers to support the SAR's administration and not to "mistake opposition for democracy", and to prevent filibustering and chaos from reviving in the Council chamber. Legislative Council

President Andrew Leung Kwan-yuen described Xia's visit to the Council as "historic", and noted that Xia had "a very good exchange" with the Council.

On 18 April, following Xia's visit, Chief Executive John Lee said the HKMAO Director set out "six hopes" for Hong Kong, amongst them safeguarding national security and the rule of law, as well as maintaining stability, harmony and prosperity.

# China's National People's Congress Standing Committee (NPCSC): Hong Kong Representative

On 11 March, Starry Lee Wai-king, chairwoman of Hong Kong's largest pro-Beijing party, succeeded Tam Yiu-chung as the SAR's sole delegate to China's NPCSC. Lee pledged to serve as a "bridge" between Hong Kong and Beijing to enhance public understanding of the Central Government's policies and laws. In addition, Lee said she would focus on building ties with the rest of the Greater Bay Area.

# New Head of Central Government Liaison Office (CGLO) in Hong Kong

On 14 January, Zheng Yanxiong, formerly Director of the Office for Safeguarding National Security of the Central People's Government in the Hong Kong SAR, was appointed Director of the CGLO in Hong Kong, replacing Luo Huining. Zheng was also appointed as a National Security Adviser to the Committee for Safeguarding National Security in the SAR. Unlike his predecessors, Zheng is fluent in Cantonese.

# **Greater Bay Area Visits**

Between 21 and 24 April, Chief Executive John Lee led a delegation of the Hong Kong SAR Government and the Legislative Council to visit the Greater Bay Area, including Shenzhen and Guangzhou. This marked the first joint visit to mainland China.

The delegation met with leaders from various sectors and a range of Chinese officials in the region. The Chief Executive said the visit showed solidarity within the executive and legislature.

#### **BASIC RIGHTS & FREEDOMS**

Freedoms of the person, of speech, of the press, of assembly, of association, of strike, of belief, and of demonstration continued to be impacted through the broad application of national security legislation. Over 50 civil society groups, including trade unions and student unions have disbanded since the NSL came into force. The requirement of universities by the Hong Kong SAR to promote national security education on campuses and the removal from public libraries of books deemed to be contrary to national security interests have impacted freedom of academic research.

Same-sex marriage continued to be prohibited, with challenge in the courts ongoing. Transgender persons continued to require surgery to have their gender marker changed, despite the High Court ruling that the policy is unconstitutional.

Following the removal of all Covid-19 restrictions, Hong Kong residents were free to travel and move in and out of the territory. Individuals retain the right to confidential legal advice, access to courts, obtain judicial remedies, and challenge actions of the executive in the courts.

The right to representation in court by lawyers of choice, as described in the Joint Declaration, was qualified by the passing of an amendment to the Legal Practitioners' Ordinance (detail in Legal System section).

Whilst the International Covenant on Civil and Political Rights in Hong Kong (ICCPR) and International Covenant on Economic, Social and Cultural Rights (ICESCR) remained protected in Hong Kong Law, no concrete steps were taken by the Hong Kong SAR Government to implement the recommendations of the Human Rights Committee report on the implementation of the ICCPR in Hong Kong, which was published on 22 July 2022.

#### **Press and Media Freedom**

Several international outlets remained in Hong Kong and continued to report and provide commentary on political and economic issues inside and outside Hong Kong during the reporting period. Several local outlets also continued to provide factual reporting on court cases, including NSL trials, in both English and Chinese.

# Hong Kong Journalists Association

On 10 June, Ronson Chan Ron-sing was re-elected as chairman of the Hong Kong Journalists Association (HKJA).

Accepting his re-election, Chan highlighted the rapid shrinking of the association with only 220 full members remaining. He noted that HKJA faces financial difficulties and could cease operating in fewer than ten years. He stressed the importance of freedom of the press and of speech in Hong Kong, but that the HKJA has "no intention to confront the government".

In September 2022, Chan was charged with obstructing police officers, and obstructing public officers as an alternate offence, after allegedly refusing to show his identity card to the police whilst reporting. During his trial in May, he pleaded not guilty to both charges. Chan testified and his case was adjourned until 21 July.

#### Political Satire: Cartoonist Zunzi

On 11 May, local newspaper *Ming Pao* announced that it would suspend publishing contributions by prominent political cartoonist Wong Kei-kwan (known as Zunzi) without explanation. Zunzi had been publishing satirical comics in *Ming Pao* about Hong Kong current affairs and public policies since 1983. His recent contributions had covered the NSL and electoral reform. The suspension came after repeated criticism of his "misleading" and "biased" cartoons from senior government officials, including Chief Secretary Eric Chan, Secretary for Security Chris Tang and Secretary for Home and Youth Affairs Alice Mak.

In response to *Ming Pao*'s announcement, Chief Executive John Lee on 12 May said Hong Kong enjoys freedom of the press and of expression but warned media organisations against the spread of "false, biased, defamatory and misleading messages".

#### Closure of Online News Site Transit Jam

On 9 May, local online news platform *Transit Jam* announced that it would cease operations. Established in 2020, and operated by a journalist and environmental activist, the news platform reported primarily on Hong Kong transport and infrastructure issues. The closure came days after attacks from PRC party-state media against Transit Jam's owner and journalist, James Ockenden. Local newspaper *Wen Wei Po* alleged that Ockenden's one-person protest on 16 April during HKMAO Director Xia Baolong's visit, was a scheme by external forces. Ockenden called for a

pedestrianisation scheme on Hong Kong Island. The outlet also said that Ockenden "often published anti-government posts" on his personal social media platform.

# Journalist denied entry to Hong Kong

On 30 June, the *Japan Times* reported that a Japanese journalist was denied entry to Hong Kong by immigration officials at Hong Kong International Airport on 29 June. The journalist had previously followed the Occupy Central movement in 2014 and covered the 2019 protests in Hong Kong.

# Government applies for Injunction to ban song 'Glory to Hong Kong'

'Glory to Hong Kong' is a publicly accessible song written during the 2019 anti-Extradition Bill protests. The song, which had topped search results for 'Hong Kong national anthem' on Google, was mistakenly played at several international sporting events in 2022. The Hong Kong SAR Government requested Google remove the song and adjust their search algorithm to ensure that the Chinese national anthem would come first in relevant search results. Google denied the request, noting that it does not manipulate search results.

On 5 June, the Hong Kong SAR Government's Department of Justice (DoJ) applied to the High Court for an injunction to prohibit, on national security grounds, four types of unlawful acts related to 'Glory to Hong Kong' with the intent of inciting secession, acting seditiously, or insulting China's national anthem. The authorities noted that a slogan contained in the song was previously ruled by the court as "secessionist" and that it was "mistakenly" presented as the Chinese national anthem. The DoJ said the injunction would not have any extraterritorial or retroactive effects. The High Court conducted a hearing on 12 June and adjourned the case until 21 July.

# Freedom of Assembly

Despite the removal of all Covid-19 restrictions on 1 March, no large-scale demonstrations or protests took place during the reporting period. Some small-scale public gatherings took place under a number of new limitations introduced by the police such as: controlling the number of participants, screening the design of banners or slogans, and mandating participants to wear identifiable badges. The implications of failure to comply with certain conditions remained unclear. The Emergency Regulations Ordinance invoked on 4 October 2019 to ban face masks during protests remained in place at the end of the reporting period.

According to the Public Order Ordinance, if the number of participants in a public procession exceeds 30, the organisers are required to obtain police approval prior to the rally. According to Hong Kong Police statistics, at least 110 public gatherings and processions were approved between 1 January and 30 June 2023.

Examples of demonstrations or protests that **took place** included:

- **4 February**: Seven environmental activists held a rally against the illegal operation of a concrete plant by a Chinese company in Yau Tong. During the rally, around 30 police officers followed the group and filmed them.
- **26 March**: Approximately 80 residents held a rally against government-proposed land reclamation in Tseung Kwan O. Police for the first time required participants to wear individually numbered badges. The protest organiser told the media that

police officers examined the banners and placards for "politically sensitive and seditious words". Over 50 police officers were present.

Examples of **cancelled** demonstrations or protests included:

# International Women's Day

8 March marks International Women's Day. On 2 March, the Hong Kong Women Workers' Association said police had verbally approved its application to organise a march on 5 March to promote labour rights, women's rights, and gender equality. On 4 March, the group, despite police permission, announced it had "regrettably" decided to call off its planned march, without giving any explanation. In response, the police said they respected the organiser's decision and believed the group had considered different factors. Police also noted that, without specifying them, some "violent groups" planned to join the march and warned the public to avoid unauthorised assemblies.

On 6 March, Chief Executive John Lee said that event organisers are bound to ensure all public events are safe and lawful, adding that those who lack confidence or the ability to comply with police instructions and therefore bear possible legal responsibilities should not organise any public event.

On 8 March, the Association issued a statement explaining its cancellation. It noted that following approval the police requested the group discuss additional requirements, but the organisers could not fulfil those new conditions.

# Labour Day

1 May has traditionally seen workers' rights marches in Hong Kong. Police refused permission for the annual rally in 2020, 2021 and 2022 citing Covid-19 concerns. This year, two applications were submitted to the police with both subsequently withdrawn. Police warned people not to take part in unauthorised assemblies on 1 May.

On 17 April, the pro-Beijing Federation of Hong Kong and Kowloon Labour Unions withdrew its application made in February and called off a march scheduled for 29 April. This came immediately after HKMAO Director Xia Baolong's remarks whilst in Hong Kong (see detail in Constitution section). The group said it had not received police approval ahead of the withdrawal.

On 26 April, two former members of the disbanded pro-democracy Hong Kong Confederation of Trade Unions (CTU), known as a major organiser of Labour Day marches, withdrew an application submitted on 9 April to hold a rally, citing "tremendous pressure". The group said the police asked questions about participants and sources of funding, as well as measures used to prevent the event from being "hijacked".

Some labour unions and organisations instead used other means to mark Labour Day, such as holding small gatherings, organising petitions, running a street booth and holding press conferences.

# Remembrance of the Tiananmen Square Massacre

On 5 May, National Security Police seized "the Pillar of Shame", a sculpture created by Danish artist Jens Galschiøt to commemorate the 1989 Tiananmen Square Massacre, for investigation of an "incitement to subversion" case. The sculpture had been on the University of Hong Kong campus since 1997 but was removed by the university in December 2021 citing potential safety issues and legal advice.

On 10 May, the Catholic Diocese of Hong Kong, for the second year in a row, announced that it would not hold the usual masses to commemorate the Tiananmen Square Massacre. The Diocese did not provide a reason.

No annual candlelight vigil was held in Hong Kong's Victoria Park for the fourth year in a row. Police refused permission for the vigil in Victoria Park in 2020, 2021 and 2022 citing Covid-19 restrictions. This year, no applications for public gatherings were made. Police did not invoke the Public Order Ordinance to close off Victoria Park. Pro-Establishment groups held a "market carnival" in the park from 3 to 5 June. The authorities warned the public in advance to avoid unlawful public order activities, citing potential NSL violations.

Arrests in relation to the commemoration of the massacre were recorded. On 3 June, police arrested four people for alleged sedition and disorderly misconduct in a public place. On 4 June, police arrested a 53-year-old woman for allegedly obstructing police officers, with at least 23 individuals near Victoria Park taken away for investigation. Some of the individuals were reported to have held candles and flowers and others wore slogans to remember the victims of the massacre before being approached by the police. In response, Chief Executive John Lee said people must act in accordance with what is "clearly stated" in Hong Kong law.

On 4 June, marking the anniversary, the Foreign Secretary, Rt Hon James Cleverly MP, made the following statement:

"Today marks 34 years since the Tiananmen Square Massacre. We will never forget those who stood up for democracy. The UK will always stand with those who defend freedom and human rights in China."

# **Chow Hang-tung**

As recorded in the previous Six-monthly Reports, former Hong Kong Alliance vice chair, Chow Hang-tung, was found guilty of inciting people to attend the vigil on 4 June 2021 and sentenced to 15 months in prison. Chow appealed and the High Court overturned both of her conviction and sentence in December 2022.

On 19 January, the High Court granted the DoJ leave to appeal to the CFA, noting that the legal questions raised are "of great and general importance". The CFA conducted a leave to appeal hearing of the case on 8 June. The final appeal is scheduled to be heard on 22 November.

#### Freedom of Religion or Belief

Religious practice is generally not restricted, with religious practices coexisting across the territory. Falun Gong, whilst outlawed in the mainland, operates in Hong Kong. Following the removal of Covid-19 restrictions religious marches took place for Palm Sunday and Good Friday.

#### Freedom of Association

# Disbandment of the Civil Party

On 27 May, Hong Kong's second largest pro-democratic political party, the Civic Party, founded in 2006 by professional elites, voted to disband. The party had six seats in the Legislative Council at its peak, and five prior to Beijing's disqualification of incumbent pan-democratic legislators in November 2020 and electoral changes in March 2021. Former members include Alvin Yeung Ngok-kiu, Jeremy Tam Man-ho, Kwok Ka-ki and Claudia Mo Man-ching. All have been charged with subversion under the NSL for taking part in unofficial Legislative Council election primaries in July 2020.

In a statement, Civic Party Chairperson Alan Leong Kah-kit, said the party hoped "the concepts of accountability and open government have been adequately introduced to the people", even though democracy was "yet to be accomplished". Former founding member Albert Lai Kwong-tak said the party's disbandment symbolised "the end of Hong Kong's nativistic democracy movement".

On 30 May, Secretary for Security Chris Tang accused the Civic Party of inciting violence during the 2019 anti-extradition protests, warning the police were investigating whether the party had been involved in any criminal offences.

At least three pro-democratic political parties, including the Civic Party, Neo Democrats and Civic Passion, have disbanded since the imposition of the NSL in June 2020.

#### Freedom of Information

In April, the Hong Kong SAR Government's Audit Commission noted in a report that public libraries across Hong Kong had removed books "manifestly contrary" to the interests of national security. The auditors recommended that public libraries "step up efforts" in examining materials to safeguard national security.

Local media reported that Hong Kong Public Libraries had removed books by twelve pro-democracy activists and political figures, and those related to the 1989 Tiananmen Square Massacre. The responsible Leisure and Cultural Services Department made clear that the examining of library books for national security risks was an "ongoing exercise".

In response, Chief Executive John Lee said public libraries must ensure that books allowed for circulation do not breach Hong Kong laws or spread messages contrary to the interests of Hong Kong.

#### Equality

During the reporting period there was a landmark court ruling concerning LGBT rights in Hong Kong. On 6 February, the CFA ruled unanimously that the Government's policy of requiring transgender people to undergo full sex reassignment surgery to alter gender markers on Hong Kong Identification Documents is unconstitutional, rejecting that it is "the only workable, objective and verifiable criterion". The court noted that such policy imposed "an unacceptably harsh burden" on the individuals and violated their rights under the Hong Kong Bill of Rights. The judgment highlighted that "the Policy's consequence is to place persons like the appellants in the dilemma of having to choose whether to suffer regular violations of their privacy rights or to

undergo highly invasive and medically unnecessary surgery, infringing their right to bodily integrity."

As of the end of the reporting period, the Hong Kong SAR Government had not made changes to its registration policy.

# **Concerns about Hong Kong Expressed at the United Nations**

The 52nd regular session of the United Nations Human Rights Council (UNHRC) took place from 27 February to 4 April.

On 27 February, the Foreign Secretary, Rt Hon James Cleverly MP made a statement in which he referred to the situation in Hong Kong:

"Last year, the Human Rights Committee published its report on the implementation of the International Covenant on Civil and Political Rights in Hong Kong.

Under the National Security Law, independent media outlets have been closed down. The right to freedom of speech and assembly guaranteed in Hong Kong's Basic Law has been eroded. Those who speak out, including journalists or businessmen like Jimmy Lai, have been arrested.

We call on the Hong Kong and Chinese authorities to uphold the Sino-British Joint Declaration and urge them to implement the recommendations of the HRC Report."

On 23 March, during the same session, UK Ambassador for Human Rights and Deputy Permanent Representative to the UN in Geneva, Rita French, made the following statement:

"In Hong Kong, rights and freedoms have been further eroded by the continued use of the National Security Law in deliberate attempts to target pro-democracy figures, journalists and businessmen and women, including Jimmy Lai and the 47 pro-democracy advocates. We call on China to uphold the commitments made in the Joint Declaration, a treaty agreed by the UK and China and registered with the United Nations."

On 19 April, the UN Special Rapporteur on the Independence of Judges and Lawyers, in a letter to China's Permanent Mission to the UN Office at Geneva, expressed concerns over the National Security Law.

The letter noted that the NSL "may interfere with the legal profession and the right to a fair trial", warning the security legislation imposed by Beijing could "undermine the independence of the Judiciary in the HKSAR and restrict access to justice in Hong Kong". It also stated that under the NSL there is "a lack of due process guarantees" and the extensive powers granted to the police "may create a dangerous freedom" for them to act without judicial oversight.

The UN special rapporteur recommended that "review and reconsideration" of the NSL be conducted to comply with China's international human rights obligations.

In the same letter, concerns were raised about the changes to legal aid and (then proposed) amendments to the Legal Practitioners Ordinance in Hong Kong.

#### LEGAL SYSTEM

The vast majority of law in force in Hong Kong has been made locally. The Hong Kong SAR maintained a common law system. Since the establishment of the SAR, the NPCSC has added or removed laws to be applied in Hong Kong five times. Most recently, on 30 June 2020 the NPCSC added the NSL to Annex III of the Basic Law. Adjudication of civil cases has continued as practised in Hong Kong prior to the establishment of the SAR.

# **Amendments to the Legal Practitioners Ordinance**

As recorded in the last Six-monthly Report, on 28 November 2022, Hong Kong's CFA allowed British barrister Timothy Owen KC to defend Jimmy Lai in his national security trial. The same day, Chief Executive John Lee requested an interpretation of the NSL be made by China's NPCSC, to clarify whether barristers not registered locally could participate in national security cases.

Beijing's interpretation on 30 December 2022 stated that Hong Kong courts should obtain a certificate from the Chief Executive to determine "whether an act involves national security", and that the participation of barristers not registered locally in national security cases requires the Chief Executive's certification under the NSL.

On 11 January 2023, the Hong Kong National Security Committee stated that it "supports the HKSAR Government to introduce amendments to the Legal Practitioners Ordinance as soon as possible".

On 20 February and 17 March, the DoJ submitted proposed changes to the Legislative Council introducing amendments to the Legal Practitioners Ordinance (LPO). Key proposed changes included:

- Pre-application screening: Barristers not registered in Hong Kong who wish to participate in a national security case must first seek approval from the Chief Executive via the Secretary for Justice, providing reasons with supporting evidence. Approval will only be granted if the Chief Executive considers the application has a "real prospect" to be an "exceptional circumstance", having "sufficient grounds" for believing the applicant's case does not involve national security.
- 2. Application for a Chief Executive certificate: The Court must obtain a certificate from the Chief Executive before the admission. The Chief Executive will consider on a case-by-case basis whether the applicant's case involves national security and whether their acting for the case would be contrary to the interests of national security. The Court must not admit that applicant if the Chief Executive determines that there is a national security risk. The certificate applies to "cases concerning national security" and is binding on the courts and not subject to judicial review.
- 3. <u>Post-admission review</u>: The Court must, "on its own motion" or upon the request of the Secretary for Justice, request the Chief Executive review the certificate granted previously, and obtain a new Chief Executive certificate, if there is "new evidence" or "a change of circumstances" involving national security.

In addition, the DoJ said the proposed changes would apply to future cases and would not be applicable to criminal and civil "cases not involving national security".

On 21 March, the Legal Practitioners Ordinance (Amendment) Bill was published in the Government Gazette and introduced into the Legislative Council for scrutiny the next day. Public consultation took place from 31 March to 6 April. On 10 May, the Bill was passed unanimously by the legislature.

#### JUDICIAL SYSTEM

The judicial system in place prior to the establishment of the Hong Kong SAR continued to be maintained. The courts continued to rule against the Hong Kong Government in some cases. The courts continued to decide cases in accordance with the laws of the Hong Kong SAR and refer to precedents in other common law jurisdictions. Judges continued to be appointed by the Chief Executive in accordance with recommendations by the Judicial Officers Recommendation Commission.

Cases concerning national security matters continued to be dealt with differently, with the NSL enforcing a different selection mechanism for presiding judges. Judges from other common law jurisdictions continued to sit on the CFA. The prosecuting authority in Hong Kong sits within the DoJ. The Hong Kong SAR maintained arrangements for reciprocal juridical assistance with foreign states. Many of these were suspended following the imposition of the NSL.

Between 1 January and 30 June 2023, at least four NSL cases concluded. All were tried without jury, and all seven defendants found guilty. All NSL cases tried since its imposition in 2020 have been tried without a jury and all defendants found guilty.

# Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (National Security Law)

According to Hong Kong Police statistics, since the imposition of the NSL on 30 June 2020 until 31 March 2023, a total of 250 people have been arrested for NSL offences and 151 charged.

On 30 June, Minister of State for Indo-Pacific, Rt Hon Anne-Marie Trevelyan MP commented on the third anniversary of the imposition of the National Security Law:

"3 years ago the National Security Law was imposed on Hong Kong. The chilling effects are clear. Rights & freedoms have been eroded. China must uphold the commitments it made. The UK will support the people of Hong Kong & stand up for the autonomy Hong Kong was promised."

The reporting period saw numerous NSL arrests and prosecutions. Cases include:

- **8 March:** A 23-year-old woman, reportedly a Hong Kong undergraduate student studying in Japan, was arrested upon her return to the SAR for alleged secession. Police accused her of publishing online posts inciting Hong Kong independence. On 15 June the police charged her with sedition instead.
- **9 March:** A 65-year-old woman was arrested for allegedly colluding with foreign forces. She is on police bail with a travel ban, pending investigation.
- **9 March:** A 40-year-old man, reportedly a teacher at the Royal College of Music in the United Kingdom, was charged with "conspiracy to incite secession". He had initially been charged with sedition. His case was adjourned until 15 August.
- 20 April: Local media reported that 23-year-old Cheung Ho-yeung, a member of the pro-independence group "Returning Valiant", was charged with "conspiracy to

commit terrorist activities". The case has been transferred to the High Court with no date set for the trial.

# The Hong Kong Alliance

On 11 March, three former committee members of the Hong Kong Alliance, including vice chair Chow Hang-tung, were sentenced to four and a half months in jail for failing to cooperate with National Security Police, thereby breaching the implementation rules of Article 43 of the NSL. They refused to hand over details of the Alliance's financial reports and activities to the Police. Principal Magistrate Peter Law Tak-chuen ruled that the police's information request as per the NSL was legal and the defendants were "obliged" to provide information for national security investigation, noting their non-compliance was "unjustified".

All defendants have appealed against the convictions and sentences, with bail granted. As of the end of the reporting period, no date had been set for their hearing.

# "Returning Valiant"

On 9 February, the District Court sentenced two members of the pro-independence group "Returning Valiant" to five years in jail for conspiracy to incite subversion. The two were found to have set up street booths and distributed leaflets calling for an "armed uprising" against the PRC and Hong Kong authorities. Judge Kwok Wai-kin categorised their offences as "serious", noting that the group advocated a "bloody revolution without bottom line", and despite no one being incited their actions amounted to actual subversion instead of a conspiracy.

The defendants argued that a one-third deduction should be applied to their guilty pleas and have filed an appeal to the High Court against their sentences, pending the CFA verdict on Lui Sai-yu's appeal of NSL minimum sentences. Five teenage members of the group had previously been sentenced to up to three years of detention in a training centre for the same NSL offence.

On 6 May, another teenage member, 19-year-old Ho Yu-wang, was convicted of conspiracy to commit terrorism for his plans to bomb Hong Kong courts and public infrastructure. The High Court adjourned sentencing until 27 September.

#### Denis Wong Tak-keung

On 24 February, Denis Wong Tak-keung was sentenced to five years in jail for incitement to subversion. Wong was found to have published posts online and trained people in combat, calling for a "violent revolution" to overthrow the Chinese and Hong Kong Governments. District Court Judge Ernest Lin Kam-hung noted that even though there was no evidence of anyone being incited, the defendant had plans to "promote and rekindle the feeling of discontent and disgust" against the police, the SAR and the Chinese Government, adding that his posts "advocated the learning and using of military combat skills and weapons to upset the status quo".

Wong had been in custody since his arrest in March 2022. He has filed an appeal against his five-year jail sentence, pending the CFA verdict of Lui Sai-yu's appeal of NSL minimum sentences.

# Trial of 47 Pro-democracy Politicians and Activists under the NSL

In January 2021, 55 pro-democracy politicians and activists were arrested under the NSL. 47 went on to be formally charged with "conspiracy to commit subversion" for organising and participating in primaries for subsequently postponed Legislative Council elections.

31 had pleaded guilty to the charge awaiting sentence and 16 not guilty. The trial began on 6 February and was scheduled to last 91 days.

On 6 February, two defendants Ng Kin-Wai and Mike Lam changed their plea to guilty. A total of 34 remained remanded in custody, with 13 released on bail. In the early weeks of the trial, local media reported allegations that individuals were paid to queue for tickets to observe proceedings. The court had sat for a total of 76 days and the trial remained ongoing at the end of the reporting period.

It is the largest NSL trial to have taken place to date. The 34 remanded in custody had been in detention for almost two and a half years by the end of the reporting period.

#### **Use of Sedition Laws**

Colonial-era sedition offences remained in use in Hong Kong. At least 17 people were arrested for or charged with sedition between 1 January and 30 June.

At least six people were convicted during the reporting period. They included a Christian pastor and a former police officer.

# **Convictions** included:

# Wong Chun-kit

On 5 January, delivery worker Wong Chun-kit was sentenced to eight months in prison for publishing online content supporting Hong Kong independence. Prosecutors said Wong had posted more than 100 seditious messages, including phrases such as "Liberate Hong Kong". Chief Magistrate Victor So Wai-tak noted that the defendant, using various social media platforms, spread the messages with an "extremely high level of penetration", which constituted "actual and potential threats to public safety".

#### Alan Keung Ka-wai and two others

On 20 March, three people including Christian pastor Alan Keung Ka-wai were sentenced to up to ten months in jail for "selling seditious publications". The three were convicted for reproducing books relating to the 2019 protests and selling them at a market fair in Mong Kok. The court noted that they targeted those who sympathised with protesters, likely resulting in a "resurgence" of anti-government sentiment.

#### Chui Chun-man

On 20 March, ex-policeman Chui Chun-man was sentenced to ten months in jail for sedition. He was found guilty of making seditious comments on the official Hong Kong Police Facebook page over a senior marine officer who died during an operation in 2021. Acting Principal Magistrate Veronica Heung Shuk-han ruled that Chui had a clear intention to incite hatred and public discontent against the police. The court noted that the defendant, by revealing his identity as a police officer when commenting, "amplified the seditious effects" and "undermined the credibility of the Hong Kong Police Force", adding that violence remained a real risk following the 2019 protests.

# Wong Ho-cheong

On 29 March, former council member of the dissolved Chinese University of Hong Kong Student Union, Wong Ho-cheong, was given a five-month jail term for sedition. He was convicted for his online posts inciting hatred against the CCP and the SAR's police and judiciary. He was also found to have promoted children's books ruled "seditious". Principal Magistrate Peter Law Tak-chuen categorised the case as "serious" and noted that despite the defendant having "limited influence", his messages could have easily triggered people who sympathise with the 2019 protests, describing his acts as "setting a time bomb".

As at the end of the reporting period:

 The trial of two former Stand News journalists charged with conspiracy to publish seditious publications was still ongoing. Both pleaded not guilty to the charge, with bail granted in November and December last year respectively. The court set its verdict for 4 October.

# Bao Choy Yuk-ling's Court of Final Appeal Hearing

In April 2021, Choy was convicted of making false statements under the Road Traffic Ordinance and given a fine of HKD 6,000 (approximately £600) with regard to why she obtained vehicle licensing information from a publicly accessible database.

Choy declared that her search application fell under the category of "other traffic and transport related matters", with the two other options she could only choose from being "legal proceedings" and "sale and purchase of vehicle".

On 7 November 2022, the High Court dismissed Choy's appeal but on 18 November granted her leave to appeal to the CFA.

The CFA appeal hearing took place on 3 May this year. On 5 June, the CFA ruled unanimously in favour of Choy, quashing her conviction and sentence. The court held that the "wide catchall category" Choy selected included investigative and bona fide journalism, highlighting the "constitutionally protected freedom of speech and of the press" under the Basic Law and the Bill of Rights. The CFA also noted that the phrase "other traffic and transport related matters" lacked clarity and unambiguity, and Choy could have been "honestly mistaken" in thinking her journalistic purpose was covered under the category. The judgement also noted, "the fact that the appellant was exercising her freedom of speech and of the press in connection with investigating the events of 21 July 2019 should be taken into consideration".

#### **Prosecution of Pro-democracy Activists and Politicians**

Two non-NSL prosecutions against pro-democracy politicians and activists concluded during the reporting period. One defendant was found guilty and the other acquitted of the charges they faced.

#### Joshua Wong Chi-fung

On 17 April, the High Court sentenced activist Joshua Wong to three months in jail for disclosing personal information online about a police officer. Wong was found to have violated the Police Doxing Injunction and an anonymity order, for publishing an online post in August 2020 revealing personal details of the police officer who shot a protester in Sai Wan Ho in November 2019. Notably, the DoJ only initiated civil proceedings

against Wong on 11 May 2022. Wong pleaded guilty to his charge of contempt of court. Another defendant, Tsang Chi-Sing, was given a suspended sentence of 21 days for re-posting information about the same police officer.

On 25 May, High Court Judge Russell Coleman in his judgment on Wong noted that his prior knowledge of the police doxing injunction, significant public influence and "large social media following" amounted to a "contumacious and contumelious" breach, and hence a custodial sentence. Coleman also expressed his "considerable and real concerns about the long period of delay" in bringing the case to court, which "could undermine the public policy origin of the inherent jurisdiction of contempt of court". The court concluded that the DoJ's explanation for its "unfortunate" delay "remains not particularly convincing".

In addition to his new jail term, Wong continued to be held on remand on an NSL charge without bail.

# Lam Cheuk-ting

On 20 January, the District Court acquitted former pan-democrat legislator Lam Cheuk-ting of perverting the course of justice. Lam was accused of requesting an individual, surrounded by a crowd, to erase photographs of protesters after a protest outside Tuen Mun Police Station in July 2019. Judge Douglas Yau Tak-hong ruled that the defendant was only trying to resolve a tense situation at the scene as a mediator, that he had no intention of obstructing potential prosecution and no intimidating acts were involved. The DoJ has filed an appeal against Lam's acquittal.

Lam remained on remand for subversion under the NSL without bail.

#### **Protest Convictions**

According to Hong Kong Police statistics, at least 10,279 people were arrested in relation to the 2019 anti-Extradition Bill protests. 2,915 of them were charged and 1,391 convicted. About 7,000 arrestees were still on police bail pending investigation.

In January, non-aligned legislator Tik Chi-yuen, citing Police Commissioner Raymond Siu Chak-yee, said the Hong Kong Police Force would decide by February whether prosecutorial decisions would be made, or whether investigations should continue. On 14 February, Siu said the Force was reviewing the cases and would announce relevant arrangements for the remaining arrestees "within the month". Local media reported that the police would stop investigating and drop the cases of over 6,000 arrestees.

On May 23, Chief Executive John Lee said it would be "unrealistic" to set a time frame for closing police investigations.

As of the end of the reporting period, the Hong Kong authorities had not made an announcement or provided any update.

#### Jimmy Lai's Legal Actions relating to the NPCSC Interpretation of the NSL

As detailed in the last Six-monthly Report, China's NPCSC interpretation of the NSL on 30 December 2022 stated that the Chief Executive will have to certify whether an act or issue involves national security, including the question of overseas lawyers' participation in national security cases. Otherwise, the Chief Executive-led National Security Committee (NSC) in Hong Kong should make the decision. Under the NSL, the Committee's decisions are not subject to judicial review.

On 17 February, Lai brought a legal challenge against the NPCSC interpretation. He argued that the interpretation should not be applied to his NSL case, asking the High Court to uphold the CFA November 2022 ruling to allow Tim Owen KC to defend him. If this was not approved, Lai requested the courts alternatively obtain a certificate from the Chief Executive on admission of overseas counsel in accordance with the interpretation.

On 11 April, Lai launched a Judicial Review to challenge a decision made by the NSC. This came after Lai found that the Committee had advised the Immigration Department to refuse Owen's future work visa applications, based on its conclusion that the British barrister's participation in Lai's case could constitute a national security risk. Lai argued that the Committee did not have such an authority and asked the Immigration Department to retract its decision.

The two appeals were heard together on 28 April. Lai's legal team submitted that the NSC is only responsible for analysing and assessing "developments in relation to safeguarding national security" in Hong Kong according to Article 14 of the NSL, and that its decisions are legally challengeable. He argued that the Committee does not have power to reject Owen's work visa and the Court should step in and adjudicate when the Committee has "overstepped" its powers. The DoJ submitted that the courts have "no jurisdiction" over challenges against the Committee's decisions, referencing the NPCSC December 2022 interpretation.

On 19 May, the High Court dismissed both appeals, noting in its judgment:

- The NSL is one of the Chinese national laws applied in Hong Kong, and it "may prescribe the jurisdiction" of the courts in the SAR;
- Hong Kong courts have "no jurisdiction" over the work of the National Security Committee (NSC);
- The NSC's decisions are "not amendable to judicial review"; and
- The NPCSC interpretation on 30 December 2022 is "applicable" to the CFA ruling on 28 November 2022 in relation to Owen's representation of Lai.

On 1 June, Lai filed an appeal against the High Court's decision. As of the end of reporting period, no hearing date had been set.

Separately, on 29 May, the High Court rejected Lai's request to terminate his national security trial, dismissing Lai's argument that judges selected under the NSL may be biased against him and that the absence of a jury and hand-picked judges in his trial would result in unfairness.

The UK continued to request consular access to Jimmy Lai during the reporting period. It continued to be denied by the Hong Kong authorities on the basis that they do not recognise dual nationality, and therefore do not recognise his British nationality.

#### Non-permanent Judges on the Court of Final Appeal

On 3 April, Chief Executive John Lee appointed the Hon. Patrick Keane, formerly Chief Justice of the Federal Court and Justice of the High Court in Australia, as a CFA non-permanent judge (NPJ) for a term of three years.

On 12 May, the Chief Executive also accepted the recommendation of the Chief Justice and extended the terms of office of the following British and Australian non-permanent CFA judges, each for three years:

- The Rt Hon. the Lord Collins of Mapesbury, starting 30 June
- The Hon. Mr. Justice Robert French, starting 31 May

Following the appointment and renewals there were 11 (retired) overseas non-permanent judges from common law jurisdictions serving in the CFA, including six from the United Kingdom, four from Australia and one from Canada.

#### **Judicial Visits**

# The Judiciary

Hong Kong's Chief Justice Andrew Cheung Kui-nung, along with Chief Judge of the High Court Jeremy Poon Shiu-chor, visited the Greater Bay Area from 20 to 22 March. They met with Vice-president of the Supreme People's Court of the PRC, Yang Wanming. Local media reported that, Yang urged Hong Kong judges to maintain the SAR's constitutional order and national security, as well as improve its judicial and legal systems.

During the trip, the Judiciary had "professional exchanges with the Mainland judges and judicial staff on court operation matters and other judicial issues".

Between 21 and 24 May, Cheung and Poon visited Beijing. They met with President of the Supreme People's Court of the PRC, Chief Justice Zhang Jun, and also HKMAO Director Xia Baolong. Xia reportedly reaffirmed the Central Government's support for the Hong Kong Judiciary in exercising its power independently and implementing the NSL.

#### **PUBLIC SERVICE**

Public servants who served in Hong Kong prior to the establishment of the Hong Kong SAR continued their service with no evidence that their pay, allowances, benefits and conditions of service were less favourable. Foreign nationals holding Hong Kong SAR permanent identity cards could be recruited to serve as public servants. As of 15 January 2021, civil servants are required to sign an oath of allegiance, committing to uphold the Basic Law. The Civil Service Bureau has stated that refusal to take the oath could result in dismissal.

On 5 April, in a written reply to the Legislative Council, the Hong Kong SAR Government stated that in 2023/2024 the Civil Service College would spend an estimated amount of HKD 27.3 million (approximately £2.78 million) on "national studies" training to "strengthen civil servants' sense of national identity and awareness of safeguarding national security", as well as "reinforce their patriotic spirit". The actual expenditures for 2020/2021 and 2021/2022 were HKD 1.1 million and 2.6 million (approximately £112,000 and £265,000).

On 31 May, the Civil Service College held a briefing session on China's foreign relations and the international landscape, delivered by then MFA Commissioner Liu Guangyuan. Around 450 senior civil servants attended. During the session, Secretary for Civil Service Ingrid Yeung Ho Poi-yan said civil servants should support the "full implementation of 'patriots administering Hong Kong'". In June, the Hong Kong SAR Government organised several trips for senior civil servants to visit mainland China.

According to the Civil Service Bureau's statistics, in 2021/2022, a record high of 3,734 civil servants resigned. On 1 June, Secretary for Civil Service Ingrid Yeung Ho Poi-

yan said third and final year university students will be allowed to apply for various civil service jobs before they graduate, and successful candidates will join the Government upon graduation.

On 25 June, Yeung stressed that the government has no plans to employ civil servants from outside Hong Kong, as they must be permanent residents of the SAR as prescribed by Article 99 of the Basic Law.

#### **EDUCATION**

The Hong Kong SAR Government has maintained an education system that covers kindergarten, primary, secondary, tertiary and international schooling as previously practiced in Hong Kong.

The language of instruction at primary and secondary levels of education continued to be English and Chinese.

The Hong Kong SAR Government continued to decide on its own policies for the examination system, the system of academic awards and the recognition of educational and technical qualifications.

Autonomy for post-secondary education institutions is largely maintained, although the Hong Kong SAR Government has set out that under the NSL, students are required to complete a mandatory course covering the Basic Law and NSL. On 3 April, Hong Kong secondary school pupils took part in the first compulsory field trip to mainland China, as part of the new "Citizen and Social Development" subject that replaced Liberal Studies in 2021. Chief Secretary Eric Chan said around 40,000 secondary school students were expected to visit the mainland in 2023.

The recruitment of education staff from outside of Hong Kong continued. As is the requirement for civil service job holders, newly appointed teachers in public sector schools are required to pass the Basic Law and NSL test. International schools as well as other private primary schools, secondary schools and kindergartens, including those run by religious and community organisations, continued to operate their own management systems, arrangements for learning and use their own materials to teach non-local curricula.

Overall, students maintained a freedom of choice of education. The Hong Kong Education Bureau continued to set the curriculum for local schools, and they maintained flexibility to implement this in regard to individual school needs. Students maintained the option to pursue education outside Hong Kong. Hong Kong's schools and universities continued to provide places for international students.

The Hong Kong SAR Government continued to decide on its own policies in the fields of culture, education, sciences and technology.

In June 2023, the Hong Kong SAR Government released the "National Security: Specific Measures for Schools", updated guidelines to facilitate the teaching of national security education in local primary and secondary school curriculum.

#### **Installation of Surveillance Cameras in Schools**

In 2021, pro-Establishment lawmakers called for surveillance cameras to be installed in classrooms to monitor teachers for "subversive remarks".

On 16 May 2023, the Hong Kong Police launched a new security website for schools, suggesting CCTVs be installed on campus and inside classrooms to "take care of the safety of young students". The Education Bureau said that the decision to set up security cameras was for schools, noting that consensus must be reached amongst stakeholders to strike "a reasonable balance between security and privacy". Police added that schools should consider adopting relevant safety recommendations based on their "actual circumstances".

Pro-Beijing legislator Tang Fei, a school principal, expressed that teachers and students would fear their conversations being recorded.

On 21 May, Police Commissioner Raymond Siu Chak-yee said that Police liaison officers would work to promote national security education in schools more effectively following the 2019 protests.

#### **FINANCE**

Over the reporting period, the Hong Kong SAR Government continued to manage its own financial matters, including disposing of its financial resources and drawing up its budgets and its final accounts. The Central People's Government (CPG) did not levy taxes on Hong Kong SAR. Hong Kong SAR Government's financial resources were used for their own purposes. Taxation, public expenditure and the system for auditing public accounts were maintained. On 22 February 2023, the Financial Secretary of the Hong Kong SAR Government presented the 2023-24 Budget to the Legislative Council, which set out three priorities: supporting economic revival, promoting high-quality development and improving people's livelihood.

#### **ECONOMIC SYSTEM**

The Hong Kong SAR Government maintained free market economic and trade systems during the reporting period, retaining autonomy in deciding their economic and trade policies. Rights concerning the ownership of property, including those relating to acquisition, use, disposal, inheritance and compensation for lawful deprivation continued to be protected by law. In February, national security clauses were added to all land sales and short term lease tender documents.

The Hong Kong SAR Government continued to pursue a free trade policy, including the free movement of goods and capital. Hong Kong continued to operate as a separate customs territory during the reporting period. It did not levy tariffs on the import or export of goods, with the exception of four commodities (hard alcohol, tobacco, hydrocarbon oil, and methyl alcohol), retaining its status as a free port.

Export quotas, tariff preferences and other similar arrangements obtained by the Hong Kong SAR continued to be enjoyed exclusively by the Hong Kong SAR and contributed to its role as a logistics hub. The SAR continued to issue its own certificates of origin for products manufactured locally, in accordance with prevailing rules of origin.

#### **MONETARY SYSTEM**

The SAR remained an international financial centre. Hong Kong's monetary and financial systems continued to be internationally recognised through Hong Kong's four major independent regulators.

The Hong Kong SAR Government continued to have sole discretion over its monetary and financial policies, safeguarding the free operation of financial business and the free flow of capital within, into and out of the jurisdiction. No capital or exchange control policy was applied to the SAR in the reporting period. The authority to issue Hong Kong currency remained vested in the Hong Kong SAR Government. Markets for foreign exchange, gold, securities and futures continued free of interference.

The Exchange Fund continued to be managed and controlled by the Hong Kong SAR Government, via the Hong Kong Monetary Authority, and continued to regulate the exchange value of the Hong Kong dollar, within a band of USD 1 to HKD 7.75 to HKD 7.85. As of the end of June, the official foreign currency reserve assets of Hong Kong amounted to USD 417.3 billion, representing over five times the currency in circulation. During the reporting period, Hong Kong continued to expand its financial 'Connect' schemes with the Mainland. On 15 May, Hong Kong launched a new scheme focused on interest rate swap products, known as 'Swap Connect'.

From 1 June, Hong Kong's Securities and Futures Commission (SFC) introduced new regulation for the trading of retail virtual assets. By comparison, the trade of cryptocurrencies in mainland China remained banned.

#### **SHIPPING**

Hong Kong's port maintained its status as an international maritime centre and ranked fourth in the 2022 Xinhua-Baltic International Shipping Centre Development Index Report. It continued to operate as a free port. Hong Kong continued to host well-established professional ship management services providers, including in maritime insurance, ship finance and port infrastructure.

The Hong Kong SAR Government maintained autonomy in maritime policy and administrative decisions. Hong Kong has ratified 37 out of 59 International Maritime Organisation (IMO) conventions and denounced three. The Mercantile Marine Office continued to register local seafarers and regulate their employment terms and conditions.

The Hong Kong SAR Government, via the Marine Department, continued to operate the Hong Kong Shipping Registry (HKSR) separate from mainland China. Hong Kong maintained autonomy to issue certificates for registered ships under its own legislation.

In May 2023, the Hong Kong Transport & Logistics Bureau signed a Memorandum of Understanding (MOU) with the Guangzhou Port Authority to promote the co-operation, publicity and promotion of port and maritime services between Guangzhou and Hong Kong.

#### **CIVIL AVIATION**

The Hong Kong SAR Government continued to manage civil aviation in accordance with the provisions of the Joint Declaration.

Hong Kong International Airport (HKIA) continued to facilitate both commercial and tourism flows and enabled the city to maintain its status as an international and regional aviation centre. HKIA estimates shows the total number of aircraft movement from January to June 2023 increased by 137% compared to January to June 2022.

#### FOREIGN AFFAIRS & UK-HK BILATERAL RELATIONS

The Hong Kong SAR Government continued to participate as members of delegations of the PRC, such as the G20.

As outlined in the Joint Declaration, the Hong Kong SAR Government continued to be party to international agreements to which the PRC is already a party. This decision continued to be made by the Central People's Government, with consultation from the Hong Kong SAR Government. The Hong Kong SAR Government continued to implement agreements with states, regions and relevant international organisations in the appropriate fields.

Hong Kong participated in relevant international economic and trade organisations and forums such as the World Trade Organisation (WTO) and the Asia-Pacific Economic Cooperation, as well as other international trade agreements. Hong Kong applied to join the Regional Comprehensive Economic Partnership (RCEP) in January 2022. By the end of the reporting period, the city had yet to accede. In the WTO, in 2020 the US brought a dispute against Hong Kong regarding rules of origin marking under WTO DS597. By the end of the reporting period this had not resolved. The UK is not a third party to this dispute. Hong Kong continued to act as a third party to other disputes.

The Hong Kong Monetary Authority continued to participate in multilateral institutions and international forums and conferences, some as a separate member and others as a member of the PRC delegation.

There continued to be no international organisation that Hong Kong participates as a separate member and where the PRC is not a member.

The Central People's Government continued to be responsible for bilateral agreements with foreign governments for consular missions in Hong Kong, as set out in the Joint Declaration. Similarly, the Central People's Government continued to enter into agreements and arrangements for the establishment of offices of International Organisations in Hong Kong.

Consular missions in the Hong Kong SAR, including the British Consulate-General, continued to operate. 14 Economic and Trade Offices continued to operate overseas and seven in the mainland on behalf of the Hong Kong SAR Government.

#### **British National (Overseas)**

On 25 May, the Home Office published the latest UK immigration statistics. These are updated quarterly. Since the BN(O) immigration route was launched on 31 January 2021, until 31 March 2023, there were approximately 172,500 applications, with 166,420 visas granted.

The Hong Kong SAR Government continued not to recognise the BN(O) passport as a valid travel document.

#### **Visits**

Between 13 and 14 April, the Permanent Under-Secretary of the Foreign, Commonwealth and Development Office, Sir Philip Barton, visited Hong Kong. He met representatives from across different sectors.

Between 16 and 18 April, the Hong Kong Secretary for Financial Services and the Treasury, Christopher Hui Ching-yu, visited London. His visit marked the first

ministerial visit to the UK since November 2019. He met Minister of State for Indo-Pacific, Rt Hon Anne-Marie Trevelyan, Minister of State in the Department for Business and Trade, Lord Dominic Johnson of Lainston, and Economic Secretary to the Treasury, Andrew Griffith MP, as well as British financial and business leaders.

Between 8 and 9 May, Lord Johnson visited Hong Kong. He met Secretary for Financial Services and the Treasury Christopher Hui and also representatives of the business community.

Between 7 and 13 May, Hong Kong Secretary for Education, Christine Choi Yuk-lin, visited the UK, attending the Education World Forum in London. She met Minister of State in the Department for Education, Rt Hon Nick Gibb MP, representatives of the British education community, including schools.

Between 9 and 11 June, Rt Hon The Lord Mayor of London, Nicholas Lyons, visited Hong Kong where he met British business and representatives from a range of sectors.

#### **Trade and Investment**

Hong Kong represents the UK's 13rd largest global trading partner, having accounted for 1.7% of total UK trade in the four quarters to the end of March 2023. Total trade in goods and services (exports plus imports) between the UK and Hong Kong SAR was £30.0 billion in the four quarters to the end of March 2023, an increase of 21.9% or £5.4 billion from the four quarters to the end of March 2022. Of this £30.0 billion, UK exports accounted for £20.2 billion.

#### Culture

The British Council delivered 24,303 International English Language Testing System exams between January and June 2023.

From 26 February to 4 March, the British Council led a delegation of arts administrators from the Hong Kong SAR Government to visit the UK. They met representatives of the Royal Opera House, FutureEverything, and FACT Liverpool.

On 28 March, the British Council marked to its 75th anniversary in Hong Kong and launched its Global Alumni Programme.

In May, the UK Department for Trade and Business in Hong Kong led a delegation of museum operators from the West Kowloon Cultural District and the Hong Kong SAR Government to attend London's Museums + Heritage Show. The operators also met representatives from the Imperial War Museum, National Gallery and National Portrait Gallery in London.

In June, London's Victoria and Albert Museum, in collaboration with Swire Properties, held an exhibition in Hong Kong as part of its Asia tour.

#### **DEFENCE**

The maintenance of public order in the HKSAR continued to be the responsibility of the Hong Kong SAR Government. There has been no evidence that military forces sent by the Central People's Government to be stationed in the SAR for the purpose of defence have interfered in the internal affairs of the city. Expenditure for these military forces have been borne by the Central People's Government. In line with the provisions of the Joint Declaration, on 29 March, the Chinese People's Liberation Army

Hong Kong Garrison held a one-day joint patrol exercise in the territory involving land, navy and air forces.

# **RIGHT OF ABODE, TRAVEL & IMMIGRATION**

The Hong Kong SAR Immigration Department remained the sole issuing authority for the Hong Kong SAR passport. Nationals who were entitled to visa-free access to Hong Kong prior to the establishment of the SAR continued to enjoy visa-free access. As of the end of the reporting period, nationals of 170 countries were entitled to visa-free access to Hong Kong for a period ranging from 7 to 180 days.

The territory-wide identity card replacement exercise, launched by the Immigration Department in December 2018, ended on 3 March 2023. Around 6.84 million identity card holders have replaced their identity cards, accounting for approximately 85 per cent of the population.

# Immigration (Amendment) Bill: Subsidiary Legislation

In December 2020, the Hong Kong SAR Government introduced the Immigration (Amendment) Bill to the Legislative Council, noting the Bill would introduce measures to deal more efficiently with non-refoulement asylum claims.

The Legislative Council passed the Bill on 28 April 2021. The law's provisions gave the Immigration Director power to direct an airline carrier whether or not to carry a particular passenger. Then Secretary for Security, now Chief Executive John Lee, dismissed concerns about exit bans and stated that the new powers would apply only to inbound flights, as would be specified clearly in subsidiary legislation.

On 24 March 2023, subsidiary legislation under the Immigration Ordinance, entitled Immigration (Advance Passenger Information) Regulation, took effect in Hong Kong. The law requires airlines to provide personal data of passengers for inbound flights to Hong Kong. The Hong Kong authorities made clear that "flights departing from Hong Kong are not affected by the Regulation".

#### **OTHER REPORTS**

In January, Human Rights Watch released its annual World Report. The report noted that "Beijing and Hong Kong authorities continued their assault on human rights in the territory, a downward trajectory that is expected to continue".

On 2 February, the Economist Intelligence Unit's (EIU) annual Democracy Index for 2022 ranked Hong Kong 88th out of 167 countries or territories, a fall of three places since 2021. The EIU noted that Hong Kong suffered "significant deteriorations" with its democracy being "in retreat", citing an "exodus" of the territory's civil service in response to "the deteriorating political situation and the shrinking space of freedom".

The same day, the Fraser Institute, together with the Cato Institute, published the Human Freedom Index 2022, covering 2020 data. Hong Kong ranked 34th of 165, a fall of two places on 2019 figures. The authors noted that Hong Kong's high degree of freedom was followed by a steady decline that "reflects the Chinese Communist Party's increasing interference" in the territory. The report added that "Hong Kong's rankings are likely to decline further, especially given the CCP's ongoing suppression" and "escalating violations" of the city's traditional liberties.

On 9 March, Freedom House's 2023 Freedom in the World report scored Hong Kong 42 out of 100 and as "partly free". It maintained that the implementation of the NSL has constituted a "multifront attack" on the "One Country, Two Systems" framework.

On 20 March, the US Department of State 2022 Country Report on Human Rights Practices in Hong Kong highlighted a number of significant human rights issues, including arbitrary arrest or detention. The report stated that China continued to dismantle Hong Kong's political freedoms and autonomy in violation of the commitments made in the Sino-British Joint Declaration and the Basic Law.

Also on 27 March, Amnesty International's 2022/23 global human rights report noted that the Hong Kong authorities continued their "crackdown" against pro-democracy activists, journalists and human rights defenders, and that the NSL and other repressive laws were "widely used to target people exercise their rights to freedom of expression, peaceful assembly and association".

On 31 March, the US State Department reported to Congress, as required annually under the US Hong Kong Policy Act. The US Secretary of State, Anthony Blinken, stated upon the report's release that the People's Republic of China "is eroding judicial independence and the rule of law in Hong Kong, once core to the city's reputation and success". The report said Beijing and Hong Kong authorities "continued to use 'national security' as a broad and vague basis to undermine the rule of law and protected rights and freedoms".

On 3 May, Reporters without Borders published its 2023 World Press Freedom Index, marking World Press Freedom Day. Hong Kong was ranked 140th out 180 countries and territories globally. Reporters without Borders noted that Hong Kong once had a "vibrant media environment" but the city has seen an "unprecedented setback" since the imposition of the NSL, which "looks like it could apply to any journalist covering Hong Kong, regardless of their location".

#### Inquiries

The UK All Party Parliamentary Group (APPG) on Hong Kong completed two inquiries during the report period. In February, the APPG published their report on British banks operating in Hong Kong. In April, the APPG published its report on Hong Kong's media freedom, covering Apple Daily and Jimmy Lai. All Party Parliamentary Groups are informal, cross party groups that are independent of Government. The APPG invited submissions from individuals and organisations. The APPG on Hong Kong describes its mandate as being "to promote democracy and the rule of law, and to defend human rights in Hong Kong, to share information about Hong Kong, and to nurture relations between the United Kingdom and the people of Hong Kong".

#### CONCLUSION

Under the Sino-British Joint Declaration, China promised Hong Kong would enjoy a high-degree of autonomy, except in foreign and defence affairs, and that the basic polices it set out would remain unchanged for 50 years. As this report sets out, Hong Kong's capitalist economic, monetary and financial systems, as described in the Joint Declaration, remain intact and robust. However, the ongoing application of the NSL continues to undermine Hong Kong's legal and judicial systems, and the impact of changes to Hong Kong's electoral legislation has limited the ability of the Legislative Council to hold the Executive to account.

Under the Joint Declaration, China also committed to enshrine certain rights and freedoms in law, which later formed a core part of the Basic Law of Hong Kong. Yet those rights and freedoms remain under significant pressure. The threat of prosecution under national security offences continues to suppress free speech, stifle opposition, and shrink the space for civil society. The continued application of the Beijing-imposed NSL and ongoing efforts to stifle legitimate and peaceful opposition mean that we consider China remains in a state of ongoing non-compliance with the Joint Declaration.

China freely entered into the Joint Declaration. Meeting its commitments is the best way for China to protect Hong Kong's stability and prosperity. Hong Kong's reputation as a place to do business relies on the independence of its respected institutions, the rule of law and judicial independence. As a co-signatory of the Sino-British Joint Declaration, the UK will continue to speak out when China breaches its legally binding agreements and when it breaks its promises to the people of Hong Kong.

#### LIST OF ABBREVIATIONS

All Party Parliamentary Group	APPG
British National (Overseas)	BN(O)
Chinese Communist Party	CCP
Central Government Liaison Office	CGLO
Confederation of Trade Unions	CTU
Court of Final Appeal	CFA
Central People's Government	CPG
Department of Justice	DoJ
Hong Kong International Airport	HKIA
Hong Kong Journalists Association	HKJA
Hong Kong and Macao Affairs Office	HKMAO
Hong Kong Shipping Registry	HKSR
International Covenant on Civil and Political Rights	ICCPR
International Covenant on Economic, Social and	ICESCR
Cultural Rights	
International Maritime Organisation	IMO
Legal Practitioners Ordinance	LPO
Memorandum of Understanding	MOU
National People's Congress Standing Committee	NPCSC
Non-Permanent Judge	NPJ
National Security Committee	NSC
National Security Law	NSL
People's Republic of China	PRC
Regional Comprehensive Economic Partnership	RCEP
Special Administrative Region	SAR
United Nations	UN
United Nations Human Rights Council	UNHRC