

CEPA enhances quality of Mainland and HK legal services

The quality of legal services in Hong Kong and the Mainland will be enhanced as a result of the Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA), the Secretary for Justice, Ms Elsie Leung said today (October 24).

Through cooperation, lawyers on the two sides could form a strong coalition of highly competitive international legal professionals, she added.

Speaking in Beijing at the Seminar on Cooperation and Exchange between Beijing and Hong Kong Lawyers, a programme of the Seventh Symposium on Economic Cooperation, Ms Leung said that CEPA made it easier for Hong Kong lawyers to gain market entry to the Mainland.

"Residency requirements for Hong Kong lawyers is waived or relaxed. They are allowed to sit for the National Judicial Examination, which could not be taken by foreign lawyers. In so doing, much benefit could be gained by Hong Kong lawyers. They can acquire legal profession qualifications for limited practice in China. They are allowed to be employed by Mainland lawyers. A new system is established for Hong Kong and Mainland law firms to form associations."

Services provided by Hong Kong lawyers in the Mainland would be related to the investments or business of the Mainland or foreign enterprises in the Mainland, and therefore they needed to cooperate with their Mainland counterparts, particularly in the area of litigation, she said.

"A Mainland enterprise seeking to be listed in Hong Kong will need the services of both Hong Kong and Mainland lawyers. Therefore, liberalisation of the Mainland market will not give rise to any cut-throat competition between the legal professions of the two sides. Rather, it will encourage the two sides to complement each other.

"This will strengthen and enhance the quality of legal services at both places particularly in the specialised fields of international trade, corporate finance, financial business, securities, intellectual property and information technology.

"It is hoped that through cooperation, lawyers of the two sides can form a strong

coalition of highly competitive international legal professionals."

The signing of CEPA, like the endorsement of the Basic Law of the Hong Kong Special Administrative Region, was only a start. It was no easy task to implement the specific arrangements, Ms Leung added.

"The relevant authorities are drafting the regulations for Hong Kong lawyers to be employed in law firms in the Mainland, the method for Hong Kong lawyers to sit for the National Judicial Examination and the management of the associations formed, etc. Members of the Hong Kong legal profession have expressed their views on the matter with a view to perfecting the regulations," she said.

"CEPA could be fully utilised only if lawyers of both places can find out how they can take advantage of CEPA. This could be obtained through better understanding of each other's market, enhancing communication between the lawyers of both places, and building a service network. A certain period of time for observation and practical experience is also needed before we can take full advantage of CEPA."

Ms Leung held the view that apart from the setting up of a Joint Steering Committee as suggested in CEPA, working groups should be set up with various justice departments and bureaux in the Mainland.

"These working groups provide a consultation forum to help resolve problems which may arise in the interpretation or implementation of CEPA in a timely manner. The working group can also actively study mutual recognition of qualifications of legal service providers of the two places and to promote the exchange of legal talent.

"CEPA adheres to five principles, namely, to abide by the 'one country, two systems' principle; to be consistent with the rules of the WTO; to accord with the needs of both sides to adjust and upgrade their economic regime; to achieve mutual benefits and prosperity by complementing each other; to progress with a step-by-step approach by dealing with the easier issues first.

"The scope of CEPA will continue to be enriched and expanded. As the demands of the legal profession cannot be met at one go, we need to further explore ways to achieve closer cooperation between the two sides," she said.

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