

Speech by SJ in London

Following is the speech by the Secretary for Justice, Mr Wong Yan Lung, SC, entitled "One Country, Two Systems", at Chatham House, London, today (June 9, London time):

Ladies and Gentlemen,

It is a great honour for me to be speaking in this historic building to such a distinguished assembly. In about three weeks' time, Hong Kong will be celebrating the ninth anniversary of the Reunification with the Mainland and the implementation of "One Country, Two Systems". Although nine years have passed since the Union Jack was replaced by our 5-star national flag in Hong Kong, there is still a vast network of business, personal and historic ties with the United Kingdom. The fact that we are all here today to talk about this subject reflects the enduring links between the United Kingdom and Hong Kong.

Personally, moreover, I have a long association with the United Kingdom, going back more than 20 years ago when I was a student in Cambridge, followed by a one year stay in London receiving my training as a barrister. I have a special fondness for the UK, though not necessarily for college food (Jamie Oliver had not started his culinary revolution then), and I always enjoy coming back.

Last October, I was privileged to be appointed by the Chinese Central People's Government as the Hong Kong SAR's second Secretary for Justice. The fact that an English-trained barrister and formerly an active Council member of the Hong Kong Bar Association could be so appointed is a reflection, I believe, not only of the continuity of Hong Kong's legal system following the Reunification, but also of the recognition and determination that the continuity of that system remains the key to the success of the "One Country, Two Systems" concept.

I. CONSTITUTIONAL FRAMEWORK

Historical background

Many of you are familiar with Hong Kong and our history, but perhaps not all of

you. Allow me to say a few words by way of background.

Hong Kong is absolutely unique in world history. Because of the colonial rule under the United Kingdom for one and half centuries, Hong Kong was kept apart from the Mainland, and shielded from most of the wars, chaos and instability which inflicted the Motherland over the years. We have developed our own successful economic and legal systems, and since the 1970's Hong Kong has assumed a significant place in the international financial market.

When Britain and China were negotiating over the future of Hong Kong, the most important guiding principle was to ensure Hong Kong would remain stable and prosperous after the Reunification. The Sino-British Joint Declaration, signed in 1984, provided that China should resume the exercise of sovereignty over Hong Kong on the basis that Hong Kong would retain its capitalist system and its common law legal system, and would exercise a "high degree of autonomy". Except for foreign and defence affairs, which were to be the responsibility of the Chinese Central People's Government, the Hong Kong Special Administrative Region was to be vested with executive, legislative and independent judicial power, including that of final adjudication.

New constitutional order

Upon China's resumption of sovereignty over Hong Kong in 1997, a new constitutional order was put in place. This is found in the Basic Law of the Hong Kong Special Administrative Region, a law enacted by the National People's Congress and based upon the Sino-British Joint Declaration. The Basic Law faithfully reflected the guarantees contained in the Joint Declaration. Hence the guarantee of "One Country, Two Systems" was further extended from an international treaty to the national law of the Mainland and the mini-constitution of Hong Kong.

As a result, the law in Hong Kong is fundamentally different from that in the rest of China.

There are, of course, many other examples of territory within a state having different laws from the rest of the state. Quebec and Louisiana would be two examples. However, there are important differences between the constitutional arrangements in Hong Kong and those in other jurisdictions. Let me briefly mention some of the special features of Hong Kong's arrangements.

First, the People's Republic of China is a unitary system. Under such a system, there is only one state, and powers enjoyed by local governments are conferred by that state. The Hong Kong SAR was established by the National People's Congress under Article 31 of the PRC constitution. It was the National People's Congress that enacted the Basic Law, and thereby conferred upon the SAR its executive, legislative and judicial powers.

This contrasts with the position in federal jurisdictions where several individual states co-exist within another state. Within some (but not all) federations, specifically enumerated powers are assigned to the central government by the individual states – as in Australia and the USA. This is the reverse of the position in a unitary system.

Secondly, although the Basic Law relates specifically to the Hong Kong SAR, it is a national, not a regional law - in two senses. First, it was made by the National People's Congress and, secondly, other parts of China must comply with it.

The third special feature is the concept of "One Country, Two Systems". Separate regions within other countries normally share the same, or similar, economic or legal systems. But Hong Kong's economic and legal systems are both fundamentally different from those in the Mainland. The Basic Law preserves Hong Kong's different systems, and confers on the SAR an extraordinarily high degree of autonomy. Under the Basic Law, the Central People's Government is expressly responsible for the foreign affairs and defence of the Hong Kong SAR and for certain other matters, such as the appointment of the Chief Executive and the principal officials of the SAR Government. But most other matters are within Hong Kong's autonomy.

Hong Kong probably has the highest degree of autonomy of any territory that is not sovereign. It certainly has much greater autonomy than the states within a federal jurisdiction, such as the United States of America. The Hong Kong SAR is a separate customs territory, it has its own currency, its own taxation system and, with the authorisation of the Central People's Government it can even enter into bilateral treaties with other countries in areas such as extradition and mutual legal assistance. Some 200 multilateral treaties apply to Hong Kong even though many of them do not apply in the rest of China.

The Basic Law

The provisions in the Basic Law relating to the legal system are of particular interest. Article 8 provides for the continuity of the laws previously in force in Hong Kong.

In addition, there are specific guarantees in the Joint Declaration and Basic Law relating to the legal system. These include –

- * provision for a Hong Kong based Court of Final Appeal, to replace the Privy Council in London as the final appellate court for Hong Kong; and

- * a requirement that the International Covenant on Civil and Political Rights (the "ICCPR") as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region.

Since the Basic Law came into operation on 1 July 1997, Hong Kong has, for the first time, a detailed written constitution, containing 160 articles and three annexes. Chapter III of the Basic Law is of particular importance. It contains 19 articles guaranteeing particular human rights, such as freedom of speech, freedom of association, freedom of religious belief and so on.

II. THE EXPERIENCE

So much for the constitutional framework and design. The important question is, of course: is it working?

Continuity of laws

I attended the ceremonial Opening of Legal Year in January this year in my capacity as Secretary for Justice together with the Chief Justice and judges of the HKSAR, in full wig and robes. It was a most remarkable and inspiring moment when we all stood up for the Chinese national anthem in those most English regalia.

The promise of continuity in the laws and legal system has been honoured, not just in form, but in full substance.

Hong Kong remains a common law jurisdiction. The English language continues

to be one of the official languages. It is still the predominant language of the law. The two branches of the legal profession remain strong and independent. There are currently about 5,500 practising solicitors and about 950 practising barristers in Hong Kong. In addition, over 800 foreign lawyers are offering their services in the SAR, including over 120 from England and Wales.

As to the Judiciary, every single judge who had been in office on June 30, 1997, was re-appointed the following day. New judicial appointments since then have, I believe, been entirely uncontroversial. Appointments are made on the basis of recommendations by an independent Commission. Judges from overseas common law jurisdictions are appointed as non-permanent members of the Court of Final Appeal, and they are of the highest international standard. They include five serving members of the House of Lords. Security of tenure of judges is provided for by Article 89 of the Basic Law.

With the rising economic power of the Mainland, there is now even greater motivation to ensure the continuity of the common law in Hong Kong. Hong Kong faces acute competition from Shanghai in respect of international investment. However, although there is no room for complacency, Hong Kong's position is still irreplaceable at this moment. Someone has described Shanghai as "the Tokyo of China", but Hong Kong as "the London of Asia". We command confidence on the international level and we conduct business on that level. Thanks to well-established common law system and the independent judiciary, Hong Kong is still ahead of Shanghai as an international financial centre. This is one of our keys to avoid being marginalised against the rapidly booming economy in the Mainland.

As for the Mainland, with her entry into the WTO, globalisation has gone past the point of no return. The central and regional authorities of the Mainland know too well that unless the business world can trust the Mainland legal system, China cannot offer a truly safe haven for all foreign businessmen and investors. Thus, huge efforts have been put in to legislation and reforms on the law relating to the market economy and judicial process. The Mainland authorities have been moving fast on changes aimed at strengthening the rule of law in China. Hong Kong plays a significant part in that process. There is thus every reason and great incentive on the part of the Central Authorities to ensure the rule of law in Hong Kong is strong and thriving.

Human Rights

Since 1997, one of the most prominent phenomena in the eyes of a lawyer is the significant increase of public law litigation in Hong Kong. I don't think this suggests our system is hitting problems. Instead, it demonstrates the breadth of the human rights protection conferred by the Basic Law, and its potency to override inconsistent domestic legislation and to streamline government actions.

I gather you also have a similar experience here with the enactment of Human Rights Act a few years ago.

Another reason for the growth of court cases is the greater use of the Chinese language in court, which has made the courts more accessible to the ordinary citizens. We have seen drastic increase in the number of litigants acting in person at all levels of our courts.

Since many rulings on these fundamental matters have serious ramifications, the pressure that our courts, especially our Court of Final Appeal, have to shoulder is tremendous. So far, as the records show, our courts have been interpreting and enforcing those guarantees in the most judicious manner, without fear or favour.

For example, they have made rulings on the constitutionality of domestic legislative provisions affecting fundamental rights such as the right of abode, freedom of speech, freedom of assembly, as well as fundamental property rights. The decisions in these cases, some in favour of the government and some against, demonstrate the effectiveness of the Basic Law as a superior constitutional document.

Two examples from within the last 12 months reinforce that conclusion.

Firstly, in July last year, the Court of Final Appeal made a landmark ruling on the constitutionality of provisions in the Public Order Ordinance that require the organisers of certain public assemblies to give advance notice to the police.

The Court confirmed that the notification system satisfied the Basic Law protection on freedom of expression and assembly. However, as to the concept of "order public" as a ground of imposing restrictions, the court held that this French expression, which has a broader meaning than public order, did not give an adequate indication of the scope of the discretion. That part of the Ordinance was duly struck out. This might be music to the English ear: anything French is not good enough.

Emphasising the importance of freedom of speech and freedom of peaceful assembly, the Court of Appeal said, and I quote –

".....These freedoms enable such dialogue and debate to take place and ensure their vigour. A democratic society is one where the market place of ideas must thrive. These freedoms enable citizens to voice criticisms, air grievances and seek redress.Minority views may be disagreeable, unpopular, distasteful or even offensive to others. But tolerance is a hallmark of a pluralistic society. Through the exercise of these freedoms minority views can be properly ventilated."

Secondly, in February this year, the Court of First Instance ruled on the constitutionality of a legislative provision enabling the Chief Executive to authorise telephone intercepts, and an Executive Order issued by the Chief Executive to law enforcement agencies in respect of covert surveillance.

The court ruled that both the legislative provision and the Executive Order were unconstitutional, as being inconsistent with the right to privacy, guaranteed under the Basic Law.

However, given the serious consequences that would occur in respect of law and order if law enforcement agencies were deprived of these powers of investigation, the court ordered that the two instruments should be given temporary validity for six months, to enable the Government to enact fresh legislation with sufficient safeguards for the right to privacy.

These two cases are good illustrations of the effectiveness of the Basic Law in protecting fundamental human rights like freedom of assembly and right to privacy. They also demonstrate the strength and independence of our judiciary that jealously guards these rights.

International treaties

At the international level, the six major human rights treaties continue to apply to Hong Kong, and the Hong Kong SAR Government continues to report regularly to the treaty monitoring bodies. The preparation of those reports is done entirely by the Hong Kong SAR Government. Hearings of the reports, and the monitoring bodies' concluding observations, are the subject of wide media coverage in Hong Kong.

Hong Kong still benefits from a network of about 200 multi-lateral treaties that were extended to Hong Kong by the United Kingdom Government. Thanks to an agreement reached in Sino-British Joint Liaison Group, the Chinese Government arranged for those treaties to continue to apply to Hong Kong after Reunification, even though many do not apply to Mainland China. These treaties include the WTO, World Health Organization and so on.

The British bilateral agreements that previously applied to Hong Kong did not survive Reunification. However, under authorisation from the Chinese Central People's Government, the Hong Kong SAR Government has been steadily building up new bilaterals in areas such as surrender of fugitive offenders, mutual legal assistance, and air services agreements.

III. CONTROVERSIAL ISSUES

Of course, it is not plain sailing throughout the past nine years. The new constitutional order has, quite inevitably, given rise to controversies. Every jurisdiction that is open and pluralistic will face controversies. In Hong Kong's case, its unique status has led to some fascinating legal issues and a fertile research grounds for scholars on constitutional and international laws.

NPCSC Interpretations

Firstly, no doubt, the most significant legal issue has been the power to interpret the Basic Law. Under Article 158 of the Basic Law, the ultimate power to interpret the Basic Law is vested in the Standing Committee of the National People's Congress. Hong Kong courts are authorised to interpret the Basic Law in adjudicating cases, although in certain situations they must seek an interpretation by the Standing Committee before deciding a case.

The Standing Committee of the National People's Congress is a legislative, not a judicial, body. Lawyers trained in the common law tradition may be uncomfortable with the idea of a legislative body interpreting the law. But this reflects the Chinese Constitution. All national laws in China are subject to interpretation by the Standing Committee. However, this type of interpretation does not occur as part of judicial proceedings. It is a type of elucidation of the relevant legislation, and is therefore described as "legislative interpretation".

Since Reunification, the Standing Committee has on three occasions interpreted provisions in the Basic Law.

Right of Abode

Firstly, in 1999, Hong Kong's Chief Executive requested an interpretation by the Standing Committee of provisions relating to the right of abode in Hong Kong of Chinese citizens born on the Mainland. The issue turned on the interpretation of certain provisions in the Basic Law defining "permanent residents" of the HKSAR. This followed a Court of Final Appeal's interpretation that was causing huge immigration problems for Hong Kong. The Standing Committee confirmed that the relevant provisions in the Basic Law were to be interpreted narrowly.

Some lawyers claimed that the request for the Standing Committee's interpretation was unconstitutional. However, the Court of Final Appeal itself rejected that claim, deciding in a subsequent case that the interpretation was perfectly valid according to the Basic Law, and was binding on the Hong Kong courts.

I should, however, add that the said interpretation only worked prospectively and did not affect those litigants whose rights had already been determined by the Court of Final Appeal's ruling.

The government also recognised that the authority of Hong Kong's courts could be affected by a Standing Committee's interpretation, and made it clear that it would not lightly seek such an interpretation in future.

Constitutional development

The second interpretation of the Basic Law by the Standing Committee occurred in April 2004, and was not the result of any request from Hong Kong. It related to the provisions in the Basic Law on the methods for selecting Hong Kong's Chief Executive, and for electing members of the Legislative Council after 2007. A number of aspects of the procedures for amending the relevant provisions were unclear.

In April 2004, the Standing Committee of the National People's Congress made a legislative interpretation of these relevant provisions. On 26 April, the NPCSC made a further decision on the two election methods. It decided that the method of

universal suffrage shall not be applied to the selection of the Chief Executive in 2007 or to the formation of the Legislative Council in 2008, and that the procedures for voting in the Legislative Council shall remain unchanged. Subject to those principles, the NPCSC decided that the two election methods could be amended according to the principles laid down in the Basic Law.

At that time, some people considered that the Central Authorities had interfered with the affairs of the HKSAR, arguing that the Central Authorities should not have a hand in the HKSAR's affairs except in defence and foreign affairs.

However, the political system is an integral part of the system of the HKSAR, the establishment of which is clearly the power and responsibility of the National People's Congress. By constitutional design, the Central Authorities have both the power and responsibility in overseeing Hong Kong's constitutional development. Under the "One Country, Two Systems" arrangement, it has never been intended that Hong Kong can on its own make changes to the electoral systems.

Furthermore, the role played by the NPCSC in the two election methods has been provided clearly in the Basic Law. Subsequent to the year 2007, if there is a need to amend the provisions of the election methods, the Basic Law provides for the approval and the reporting of the amendments to NPCSC for the record.

CE's term of office

The third Interpretation by the Standing Committee occurred in April 2005 and related to the length of office of a Chief Executive who is selected after the previous Chief Executive did not complete his original 5-year term. This issue arose after the State Council accepted the resignation of the second-term Chief Executive in March last year. Two views had emerged as to the term of office of his successor – namely a full five-year term and the remainder of the original five-year term. The Basic Law does not expressly deal with the situation in question.

In order to avoid any uncertainty concerning last year's selection of the Chief Executive, the acting Chief Executive requested an interpretation of the Basic Law by the Standing Committee. The Standing Committee ruled that, having regard to the relevant provisions of the Basic Law, the term of office of the new Chief Executive shall be the remainder of the original five-year term.

Concern over Interpretations

All three Interpretations had been controversial. However, in view of the provisions of Basic Law as elucidated by the Court of Final Appeal, it is clear that all three interpretations have been lawful and constitutional.

Nevertheless, it must be accepted that the Standing Committee's power of interpretation has caused concern about the integrity of our legal system.

When I was appointed in October last year, I went on record as saying that I will try my best to avoid the need to seek another Interpretation. And, if there is one, I will do my best to minimise its effect on the rule of law. These remain my principles.

I must however add that these concerns should be put in proper context.

Firstly, the Central Authorities of the Mainland is very determined to do what is best for Hong Kong. They are very well informed and many have a clear understanding as to why an interpretation by the Standing Committee would trigger worries and criticisms among common law lawyers in Hong Kong.

Second, China today is not the same and cannot be regarded as just another developing country. The Mainland herself has an elaborate legal system and, more importantly, she is very actively promoting the rule of law, not just in name but in substance, as reflected in the various government reports submitted to the National People's Congress. Further, China is not shy to admit her weaknesses and is very determined to demonstrate to the world of this pursuant

This impression was strongly reinforced when I visited Beijing earlier in April this year. I learned of the wide range of legislative programme being undertaken, the frankness in admitting areas of weakness and the correctness of the focus and directions.

Furthermore, earlier in November last year, when I was in Tianjin attending the fifth China Lawyers Forum, it was most refreshing to learn of the theme of the forum, namely, harmonious society and the legal profession. The issues raised included environmental protection, family welfare, and social security.

I believe trust between Hong Kong and the Central Authorities with an open mind

is crucial in the successful implementation of One Country, Two Systems. Trust can only come with frank communication and understanding. There is clearly a common goal, i.e. to enable Hong Kong to prosper under the New Constitutional Order.

We should continue to encourage the Mainland to appreciate the common law traditions which we so very much cherish. To this end, Hong Kong is not the only one working hard on it. Both the USA and your United Kingdom are contributing. For example, you have the Lord Chancellor's Training Scheme which has trained more than 200 young Chinese lawyers in the English legal traditions since 1989. Many of those trainees are now occupying important positions in China.

However, it is important that we should not be arrogant but to do our part to understand more about the Mainland constitutional and legal system, and why different views might be held. Since 1997, the Hong Kong courts have been rapidly developing our own jurisprudence in handling the interface between the Mainland and the Hong Kong legal systems under the Basic Law.

"One Country, Two Systems" need not always be a cause of concern. It can be an opportunity for the advancement of the rule of law in both Hong Kong and the Mainland.

Article 23 of the Basic Law

Another cause of passionate debate a few years ago was Article 23 of the Basic Law.

Since Hong Kong is part of China, there is a need for laws in Hong Kong that protect China's national security. Instead of applying the Mainland laws on this subject, Article 23 of the Basic Law provides that Hong Kong shall, on its own, enact relevant laws.

The first attempt to enact such laws failed owing to strong public reaction. However, no one questions that Hong Kong has the constitutional obligation to legislate on national security.

There is, as yet, no timetable for the resurrection of this project. The Chief Executive has already stated that it will not be done during the remaining term of his current office (which expires in about one year's time).

However, the Government has learned from this experience and I hope that by the time the matter is raised, there will be far greater communication and consensus to facilitate the legislation.

The implementation of Article 23 will, however, be one of the greatest challenges in the implementation of "One Country, Two Systems". The challenge which we must rise to is to provide for China's national security in a way that not only satisfies international human rights guarantees, but also assures the public that their current freedoms will not be impaired.

Constitutional Development

Earlier, I have already mentioned the interpretation by the Standing Committee of National People's Congress regarding the Basic Law's provisions regarding amendment of method of selecting the Chief Executive and forming the Legislative Council after 2007. The proposed constitutional reform proposal was a significant matter which consumed a lot of Hong Kong's energy in the latter half of last year.

In October last year, the Government introduced a package of proposals for amending the two election arrangements. In respect of the selection of the Chief Executive of the Hong Kong SAR it was proposed to increase the Election Committee from 800 to 1,600 members. Of the 1,600 members, over 400 would have been elected directly or indirectly by over three million voters.

In respect of the formation of the Legislative Council it was proposed to increase the number of members from 60 to 70. Of the 10 new seats, five would have been returned by geographical constituencies, and the five new functional constituency seats would have been returned through elections by District Council members from among themselves. Close to 60% of all Legislative Council seats would have been elected directly or indirectly by over three million voters.

The Hong Kong SAR Government considered the proposals could have significantly enhanced the "democratic representation" in the two electoral methods, and would be a significant step towards the ultimate aim of universal suffrage that is provided for in the Basic Law. The British Government has also stated openly that they considered these proposals offered an incremental step in the right direction.

The proposals had the majority support in the community and of more than half of the Legislative Council Members. However, they did not have the required two-thirds majority support of all the members of the Legislative Council when they were put to the vote in December last year.

Although the SAR Government was disappointed by the rejection of these proposals, both the Central Authorities and the SAR Government are fully committed to promoting constitutional development in accordance with the Basic Law and the Decision of the NPCSC of April 2004, with a view to achieving the ultimate aim of universal suffrage.

In November last year, the Chief Executive initiated the discussion on formulating a roadmap for universal suffrage through the Commission on Strategic Development. The Commission aims to draw conclusions on the discussions by early 2007 and hopes that this will provide a basis for us to commence our next phase of work.

IV. THE FUTURE

So much for the controversies.

But these controversies which I have highlighted for you should not prevent one from seeing the broader picture. The truth of the matter is "One Country, Two Systems" is indeed working well for Hong Kong and for China. Furthermore, it has huge potential for both Hong Kong and the Mainland.

On the economic front, Hong Kong has been benefiting greatly from the Re-unification with the Mainland. The Mainland is the biggest trading partner of HKSAR. Hong Kong's world-class financial market and facilities, supported by world-class legal services, are precisely what is urgently required by the Mainland's rapidly developing manufacturing and services industries. All these are further strengthened by the advent of Closer Economic Partnership Arrangement CEPA, which made it easier for Hong Kong to access the Mainland market in respect of goods and services.

For example, the listing of Bank of China in Hong Kong last week broke many

records. More than 6.1 billion shares worth HK\$20 billion were traded, making it the heaviest trading in an IPO listing debut in Hong Kong so far, accounting for 37.1 per cent of the total stock market turnover. There are many more listings of PRC enterprises to come. The need for professional legal services is phenomenal.

The benefits derived by the Hong Kong lawyers from "One Country, Two Systems" are likewise phenomenal. Of course, Hong Kong lawyers have to compete with their international counterparts on large projects. However, the proximity with China, geographical and cultural, is a definite advantage. International corporations find comfort in our common law legal system, independent judiciary and able legal professions. The Mainland parties are likewise at ease with Hong Kong lawyers who share the same language and culture, and who are extremely familiar with the way the Mainland market operates.

We the HKSAR Government are actively promoting the development of Hong Kong as a centre for resolving disputes arising out of international business transactions in the Mainland. Parties to an international contract in the Mainland can agree that Hong Kong law applies to it, or that disputes arising under it are to be resolved in Hong Kong.

Our arbitration facilities are world class. Awards made by the Hong Kong International Arbitration Centre are enforceable in the Mainland and in all contracting states of the New York Convention. That centre already handles about 300 cases per year, and this is likely to increase further as alternative dispute resolution becomes more popular.

As regards court judgments, a formal agreement is likely to be signed later this year, whereby certain judgments in commercial disputes given by certain designated Mainland courts would be enforceable in Hong Kong. Once this is in force, those doing business in China will have the option of resolving their disputes in Hong Kong by way of litigation (as well as arbitration), knowing that the resulting award can be enforced on the Mainland, and many other jurisdictions.

As for the Mainland, Hong Kong plays a significant role in the Mainland's reforms on the rule of law. As I have mentioned, the Mainland has embarked on a massive programme of legislation and law reforms. There is a strong determination to strengthen the legal system, and to win the confidence of the international investors, especially after their entry into the WTO. I have offered my personal and my

department's help, by sharing relevant information about Hong Kong's equivalent legislation and researches, and opportunities for Chinese government officials to study common law in Hong Kong.

For me, how to turn "One Country, Two Systems" from an unprecedented experiment in history, giving rise to doubts and challenges, into a constructive platform, generating massive synergy for the advancement of the rule of law for both Hong Kong and China, is the challenge of the day.

V. TO CONCLUDE

Ladies and gentlemen, I would conclude by referring to two comments in the British Government's latest six-monthly report on Hong Kong, which covers the period from July to December last year.

Firstly, the report states that

"This has been another eventful period in Hong Kong. At the end of this reporting period we conclude that the 'One Country, Two Systems' principle has generally worked well in practice and that the rights and freedoms promised to Hong Kong in the Joint Declaration and the Basic Law continue to be upheld."

Secondly, in the foreword to the report, the Foreign Secretary says that the British Government looks forward to consolidating and developing its deep and wide-ranging bilateral relationship.

As a member of the Hong Kong SAR Government I would like to reciprocate those sentiments.

Thank you very much.

Ends/Friday, June 9, 2006

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