### Legislative Council Panel on Administration of Justice and Legal Services 2023 Policy Address – Policy Initiatives of the Department of Justice

#### Introduction

This paper sets out the policy initiatives of the Department of Justice (DoJ) in the 2023 Policy Address (Indicators for Specified Tasks of DoJ are listed at **Annex**).

#### **Consolidating the unique strengths of Hong Kong**

2. As highlighted in the report to the 20th National Congress of the Communist Party of China (the 20th National Congress report), the principle of "One Country, Two Systems" is the best institutional arrangement for the long-term prosperity and stability of Hong Kong, and we must adhere to it in the The fundamental premise of "One Country, Two Systems" is to long run. safeguard sovereignty, security and development interests of our country. The more firmly the "One Country" principle is upheld, the greater the strength of "Two Systems". The Central Government has always been firmly supporting Hong Kong in maintaining its unique status and strengths in the long term, including our well-established fundamental legal infrastructure, a common law system that connects with the world, as well as legal talents and qualities. Echoing the policy direction of this year's Policy Address, DoJ will continue to strengthen Hong Kong's unique strengths and collaborate with the stakeholders to actively dovetail with our country's development and overall strategy.

3. The Chief Executive stated in this year's Policy Address that the Government will consolidate and continue to develop Hong Kong's positioning as the "eight centres" outlined in the National 14th Five-Year Plan to sustain the development of Hong Kong's competitiveness and economic development. In this regard, DoJ has introduced a number of new policy measures to consolidate the strategic positioning of Hong Kong as a centre for international legal and dispute resolution services in the Asia-Pacific region, thereby strengthening the

rule of law infrastructure and supporting the development of various sectors and emerging industries.

### **DoJ's Major Policy Initiatives**

# (I) <u>To establish the Hong Kong International Legal Talents Training</u> <u>Academy</u>

4. In making good use of Hong Kong's bilingual common law system and international background, it is proposed to set up a dedicated office and an expert committee within 2024 to promote the establishment of the **Hong Kong International Legal Talents Training Academy** to regularly organize different practical legal courses, seminars and international exchange activities, etc., in order to promote talent exchanges in areas along the "Belt and Road" and provide foreign-related legal talent training for our country, as well as cultivate legal talents who are familiar with international law, common law, civil law, and national legal systems.

## (1) <u>Background</u>

5. The 20th National Congress report has proposed "advancing the rule of law in China". With respect to "advancing the rule of law in domestic and foreign-related affairs in a coordinated manner", the report has emphasized that while improving the level of domestic rule of law, it is also necessary to coordinate the construction of foreign-related laws and regulations as well as the nurturing of talents, with a view to developing the rule of law in domestic and foreign-related affairs in harmony and without disparity.

6. The work on foreign-related rule of law involves different fields, such as domestic law, foreign law, and international law (such as treaty law), which cover a wide range of matters. In an increasingly complex international political and economic environment, nurturing relevant talents with an international perspective and proficiency in foreign-related rule of law affairs has become particularly important.

7. In the process of promoting the high-standard opening-up and highquality development, our country has a huge demand for legal talents with foreignrelated legal knowledge. DoJ also learns that the central ministries, local agencies and the Mainland counterparts have expressed their hope and support for Hong Kong, being a common law jurisdiction internationally acclaimed and having relatively experienced legal talents, to make more extensive contributions to meet the training needs of our country in respect of foreign-related legal talents. Officials, judges or diplomats of our country handling cases with non-local elements or implementing important national policies like the "Belt and Road" Initiative have to familiarize themselves with international legal rules for assisting them to formulate foreign-related legal rules.

8. Hong Kong must continue to consolidate its strategic position as an international legal and dispute resolution services centre in the Asia-Pacific region under the National 14th Five-Year Plan. In this regard, we would need to continue supporting the enhancement of the depth and breadth of professional exchanges and mutual learning among local industry and stakeholders as well as national and foreign legal counterparts, experts and academics. This effectively drives the Hong Kong legal sector to consolidate its legal expertise and experience in stepping forward to an international advanced level, developing the legal sector in the direction of having high-end expertise and high value-added legal talents, thereby further integrating the Hong Kong legal sector into the national development of our country.

### (2) <u>Training of Legal Talents</u>

9. In order to make good use of Hong Kong's strengths under the rule of law, DoJ proposes to promote the establishment of the **Hong Kong International Legal Talents Training Academy**. Not only could this consolidate Hong Kong's position as an international legal and dispute resolution services centre in the Asia-Pacific region under the National 14th Five-Year Plan, but would also allow Hong Kong to further participate in the next decade of jointly building the "Belt and Road" Initiative. More importantly, this would further contribute to our country's efforts to promote the construction of the rule of law, and give full play to Hong Kong's unique advantages and position in connecting our country to the rest of the world at the interface of the rule of law. In developing Hong Kong as a national capacity-building centre for foreign-related rule of law personnel, we can also better safeguard national sovereignty, security and development interests.

10. DoJ will establish within 2024 a dedicated new office, namely, the **Hong Kong International Legal Talents Training Office** (the "**Office**"), having

the following major functions and responsibilities, to prepare for the establishment of the Hong Kong International Legal Talent Training Academy:

- (a) to plan, organize and implement training programmes for legal talents in domestic, foreign and international law, including the consolidation of existing legal professional training and capacity building projects organized, co-organized or funded by DoJ;
- (b) to assist in the planning and implementation of appropriate training programmes in accordance with the actual operational needs of relevant ministries of the Mainland, legal personnel and international institutions; and
- (c) to advise and arrange for personnel with relevant foreign-related legal experience, including local representatives of the legal profession (e.g. current or retired judges, experienced practising barristers or solicitors, etc.), as well as Mainland or overseas experts and academics (including legal staff from international organizations) to serve as trainers, mentors or speakers to teach through appropriate modes such as seminars, workshops or short-term internships.

11. Riding on existing training and capacity building projects organized, coorganized or funded by DoJ, the Office will plan, organize and implement the training programmes with a focus on legal practice and procedure, which is distinct from law schools or universities with a primary focus on teaching legal theories and academic subjects.

12. The Office will serve as the coordinating body of the Government on the said policy initiatives. Before the Office is established, a designated working group within DoJ will coordinate the set-up of an **Expert Committee for Hong Kong International Legal Talents Training** (the "**Expert Committee**") with the following major functions and responsibilities:

- (a) to advise DoJ on training and development projects for legal talents in domestic, foreign and international law;
- (b) to advise DoJ on developing legal talents training strategies, including education and research on foreign-related rule of law, such as public

### international law; and

(c) to advise on other related matters.

13. The designated working group within DoJ will serve the Expert Committee until the establishment of the Office which will then serve as the secretariat to the Expert Committee.

# (II) <u>To continue to make every effort to develop Hong Kong into a Centre</u> for International Legal and Dispute Resolution Services in the Asia-<u>Pacific Region</u>

14. The National 14th Five-Year Plan has established Hong Kong's position as "eight centres", creating impetus for growth. DoJ will continue to promote and consolidate Hong Kong's position as an international legal and dispute resolution services centre in the Asia-Pacific region through a series of strategic measures. Under "One Country, Two Systems", Hong Kong has the unique advantage of being "backed by the motherland and connected to the world". With our robust legal system, top-quality legal and dispute resolution services, and diversified legal talents, Hong Kong is well-placed to serve the international and regional communities, including countries along the "Belt and Road", providing one-stop diversified legal and dispute resolution services for various sectors and professions.

# (1) <u>Widening the use of Hong Kong legal and dispute resolution services</u> <u>by Mainland enterprises</u>

15. Since common law has a long history and is predictable with flexibility in adapting to the changing circumstances, many international trade or investment parties would choose the law of a common law jurisdiction as the applicable law to their contracts. Hong Kong has a bilingual legal system, its laws are highly aligned with international trade and investment rules. We are home to a deep pool of legal and other professionals who have extensive experience in international legal services, are familiar with the national policies and would fully appreciate the needs and interests of Mainland enterprises and overseas investors, hence providing a diverse range of high-quality legal and dispute resolution services. 16. DoJ is actively pursuing the extension of "allowing Hong Kong-invested enterprises to adopt Hong Kong law" and "allowing Hong Kong-invested enterprises to choose for arbitration to be seated in Hong Kong" from Qianhai, Shenzhen and Pilot Free Trade Zones in the Mainland to the whole Greater Bay Area (GBA), including the Shenzhen Park of Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone. We will also strive for state-owned enterprises' prioritisation of choosing Hong Kong law as the applicable law to their contracts, or choosing Hong Kong's dispute resolution services to handle any contractual disputes.

The extension of both measures will leverage on Hong Kong's unique 17. advantages in international legal and dispute resolution services by providing sound legal services and safeguards to enable foreign investors to use Hong Kong as the gateway to the Mainland as well as to facilitate Mainland investors to use Hong Kong as the port to expand to overseas, thereby supporting higher-quality domestic circulation and elevated international circulation, contributing to the high-standard opening-up and high-quality development of the country. At the same time, the two measures will assist Hong Kong's legal and dispute resolution professionals to further integrate into the overall development of the country. The collaborative development of the legal professions of the two places will create synergy and complement with each other's strengths, which will improve the market-based, law-based and internationalized business environment in the GBA, hence promoting the legal regulatory interface and connectivity in the region.

18. To promote the relevant measures, DoJ will continue to actively engage in exchanges and discussions with the relevant Mainland authorities. In parallel, DoJ will co-organize different forms of promotion, exchanges and capacitybuilding activities with the relevant Mainland authorities to introduce to enterprises on how Hong Kong's common law system and legal and dispute resolution services could assist them in "going global" and effectively dealing with the legal challenges and risks they may face. At the same time, DoJ will maintain close collaboration with the stakeholders in both places and listen to the specific needs of enterprises for Hong Kong or foreign-related legal services through multiple channels to ensure that the relevant exchanges, promotion and capacity building activities can effectively address their needs.

### (2) <u>Deepening Mediation Culture</u>

19. Mediation is a cost-effective means of alternative dispute resolution and the cost is generally more affordable than commencing legal proceedings. The Government will enhance the local mediation system by, for instance, strengthening the regulatory system on the accreditation and disciplinary matters of the mediation profession, incorporating standard mediation clauses in government contracts, encouraging private organizations to incorporate similar clauses in their contracts, as well as organizing events and trainings to empower the general public with the ability to apply mediation techniques.

20. In his important speech at the 25th anniversary of Hong Kong's return to the motherland, President Xi expressed the hope that all parties will work together to maintain social harmony and stability, and to spread the fine tradition of inclusiveness, solidarity, and seeking common grounds while preserving differences. From a practical standpoint, mediation also provides the opportunity for parties to a dispute to resolve conflicts through communications and in a mutually acceptable, timely and cost-effective manner. It is the long term commitment of DoJ to actively promote the mediation culture in various sectors of the community, building a harmonious and stable society, and fostering a culture that embraces mutual support, respect, harmony and inclusiveness. DoJ will implement the following measures:

- (a) DoJ will complete the review of the regulatory system on the accreditation and disciplinary matters of the mediation profession in Hong Kong within 2024 to reinforce the professionalism of mediators. The review would demonstrate Hong Kong's commitment to maintaining a reputable and reliable mediation profession that instils confidence amongst individuals and businesses when considering the use of Hong Kong's mediation services, so as to solidify the strategic position of Hong Kong as the centre for international legal and dispute resolution services in the Asia-Pacific Region.
- (b) Currently, mediation clauses can be found in various types of government contracts. To promote the further use of mediation as a means to resolve disputes amicably, DoJ will publish general mediation model clause(s) for reference and adoption in future government contracts. It is our vision that Government departments

should, as far as practicable and to the extent appropriate, first consider using mediation to resolve disputes. DoJ also seeks to encourage private companies to include similar mediation clause(s) in their contracts, which will help promote the "Mediate First" culture.

(c) DoJ will empower the stakeholders and general public with the ability to apply mediation and mediation skills in resolving disputes in the community (for example, disputes relating to neighbourhood, building management, consumers and social welfare, etc.) through organizing mediation events and tailor-made trainings.

### (3) <u>Promoting the strengths of and opportunities for Hong Kong's legal</u> services on all fronts

21. Last year, taking the annual flagship event "Hong Kong Legal Week 2022" as the starting point, DoJ began its efforts in promoting Hong Kong's legal and dispute resolution services internationally and in the region and beyond. During 2022-23, the Secretary for Justice (SJ) and the Deputy Secretary for Justice (DSJ) visited various places within our country and overseas, including a number of cities in the Mainland (i.e. Beijing, Chengdu, Guangzhou, Shenzhen, Huizhou and Hainan), four European countries (i.e. Italy, Austria, Switzerland and the Netherlands) and Thailand. During the trips, SJ and DSJ led respective delegations comprising representatives of the Hong Kong legal profession to conduct the relevant visits so as to strengthen exchanges between the Hong Kong legal profession and their counterparts in various places, as well as to deepen cooperation, create high-level development to jointly tell the world the true and good stories of Hong Kong.

22. This year, the "Hong Kong Legal Week 2023" will be held from 6 to 10 November 2023 under the theme "Onward & Forward: Connecting the World" and with the core message that the rule of law is a core pillar supporting the development of the "eight centres". Through the five-day summits, panel discussions, mock court and exhibitions, etc., this year's Hong Kong Legal Week will explore topics of interest including international legal cooperation, mediation, arbitration, opportunities in the GBA and the "Belt and Road" Initiative. It will also be the first time where a special session will be hosted for SJ to answer questions and clarify misunderstandings about the Hong Kong National Security Law. 23. As the "Belt and Road" Initiative enters its 10th anniversary this year, DoJ will continue to engine the strengthening of domestic and international promotion with the "Hong Kong Legal Week 2023". In 2023-2024, DoJ will lead higher quality and higher standard delegations comprising relevant professionals to visit countries along the "Belt and Road", including ASEAN member states as well as other Southeast Asian and Middle East countries, with a view to not only creating more opportunities for Hong Kong's legal and dispute resolution sector, but also proactively contributing to our country's development.

#### (III) <u>Rule of Law Education</u>

24. The rule of law has always been the bedrock of Hong Kong's success. The Government has all along attached great importance to the work on the rule of law education and has continued to place "Reinforcing the Rule of Law" as one of the key policy measures in the Policy Address this year. Further to DoJ's report on the work in relation to the rule of law education at this Panel on 3 July 2023, the following section seeks to report to Members on the latest progress of the relevant policy initiatives.

"Rule of Law Education Train-the-Leaders Programme"

25. With the assistance of the Steering Committee on Rule of Law Education (Steering Committee) and its two working groups (namely the "Working Group on Course Design and Teaching Materials" and the "Working Group on Coordination and Liaison"), DoJ has been actively preparing for the launch of the first phase of the Rule of Law Education Train-the-Leaders Programme (TTL Programme).

26. The first phase of the TTL Programme, themed "Rule of Law Education Stars", will commence by the end of November this year. In a diversified, "down to earth" and easy-to-understand and interactive manner, the first phase of the TTL Programme will be attended by about 150 to 200 trainees who have been working in youth-related and community work. The Programme will discuss under the principle of "One Country, Two Systems", the relationship between Hong Kong's rule of law and the Constitution, Basic Law, Hong Kong National Security Law, the basic elements of the Mainland legal system and the key features of the common law system in Hong Kong, etc.

27. Going forward, DoJ would make reference to the experience from the first phase of the TTL Programme and continue to work on the launch of the second phase of the Programme within 2024 with the assistance of the Steering Committee and its Working Groups. It is expected that the second phase would include specific topics on civil and criminal legal procedures, and consideration would also be made for arranging visits to law-related institutions or mock court activities, with a view to further deepening the trainees' understanding of the legal system and the implementation of procedures in real life, as well as enhancing the promotion of correct messages on the rule of law in the community. Details of the second phase of the TTL Programme will be announced in due course in consultation with the Steering Committee and its Working Groups.

28. Currently, DoJ is also constructing a website relating to the rule of law education with a view to providing a comprehensive platform to consolidate information of different related projects, including the TTL Programme. It is expected that the website will be launched within this year.

29. In addition, DoJ will continue to organize a variety of courses and seminars on the rule of law to reinforce the rule of law awareness of Government Counsels and the legal sector, as well as their understanding of the Mainland legal system. Apart from the training programmes reported to this Panel on 3 July 2023, DoJ held the Seminar on Hong Kong National Security Law and the National Security Education Seminar for Government Counsels of DoJ (Session 1) in August and September 2023 respectively to deepen the understanding of DoJ team in national security and the related laws.

#### (IV) Step up efforts in establishing interface with the Mainland

30. In the 20th National Congress report, it was stated that the development of the GBA should be promoted, and that support should be given to Hong Kong to fully capitalize its advantages and characteristics, integrate itself into the overall development of the country, and play a greater role in realizing national rejuvenation. In order to give full play to the advantages of "One Country, Two Systems and Three Jurisdictions" and unleash the tremendous development momentum in the GBA, it is necessary to establish mechanisms in the region to efficiently and conveniently coordinate and bridge the different legal systems and provide a stable, fair, transparent and predictable rule of law environment for the development of the GBA.

# (1) Improving the mechanism for mutual service of judicial documents in civil and commercial proceedings between the Mainland and Hong Kong

31. With the strong support of the Central Government, Hong Kong and the Mainland have so far concluded nine arrangements on mutual legal assistance in civil and commercial matters, including the Arrangement for Mutual Service of Judicial Documents in Civil and Commercial Proceedings between the Mainland and Hong Kong Courts signed in 1999. Since the commencement of the arrangement, the requests for mutual service of judicial documents between the courts of the two places increased greatly, indicating the importance of the arrangement in the resolution of cross-boundary disputes. To accommodate the increasingly close social and economic ties between the two places, DoJ is, together with the Judiciary, pursuing discussions with the Supreme People's Court, with a view to increasing possible modes of service of judicial documents and enhancing efficiency. DoJ strives to conclude the discussions and have the new service arrangement signed with the support of the Supreme People's Court and the Judiciary within this year.

# (2) Implementing the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the HKSAR (REJ Arrangement)

32. The REJ Arrangement was signed in January 2019 to establish a more comprehensive and clearer mechanism for reciprocal recognition and enforcement of civil and commercial judgments between both places. In this connection, in October 2022, the Legislative Council has already passed the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Bill for implementing the REJ Arrangement in Hong Kong. To complement the operation of the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (**Ordinance**), the Chief Judge of the High Court will make rules (**Rules**) to provide for the practice and procedure under the Ordinance. DoJ has been actively exchanging views on the draft Rules with the Judiciary of Hong Kong, with a view to finalising the draft as soon as practicable for negative vetting by the Legislative Council. DoJ strives to implement the REJ Arrangement with

the Mainland simultaneously in the first quarter of 2024. The implementation of the REJ Arrangement will reduce the need for parties to re-litigate the same disputes in both places, thereby providing better protection to parties' interests and further enhancing Hong Kong's position as a regional centre for international legal and dispute resolution services.

# (3) <u>Deepening the integration of legal practices between the GBA and</u> <u>Hong Kong</u>

33. DoJ is preparing to establish a standing interfacing platform with the Supreme People's Court next year as a high-level, regular and institutionalised official channel between the two sides to take forward together the research and practical work on judicial and legal matters relating to the GBA with a view to resolving the difficulties caused by the differences in legal systems, facilitating people's livelihood and business interactions, and enhancing the development momentum of the GBA. It is preliminarily suggested that the platform would discuss and study optimizing the operations of the mechanism for mutual legal matters, share the suggestions and comments of the stakeholders in the two places on cross-boundary dispute resolution and other issues, and jointly explore pragmatic solutions, etc. We will continue the discussion with the Supreme People's Court in respect of the establishment of an interfacing platform.

34. In addition, DoJ will continue to make good use of other established platforms, including the DoJ GBA Task Force which was established early this year, the Joint Conference of Guangdong-Hong Kong-Macao Legal Departments, the working group on Guangdong-Hong Kong co-operation on legal and dispute resolution services and the working group on Hong Kong-Shenzhen legal co-operation, so as to actively promote the relevant measures for the interface of the rules and mechanisms and promote connections among talents in the GBA with a view to contributing to the rule of law construction in the GBA.

#### Conclusion

35. In 2023, DoJ has been actively implementing the relevant policy measures under the 2022 Policy Address, including the promotion of rule of law education, conduct of duty visits to the Mainland and overseas, strengthening of the communication and integration within the GBA, and consolidation of the

development of Hong Kong as the international legal and dispute resolution services centre in the Asia-Pacific region.

36. Looking ahead, DoJ will actively promote the full use of the institutional advantages of Hong Kong's common law system and contribute to our country's needs with our strengths. DoJ will enhance the promotion of the training of international legal talents and proactively engage with places within and outside our country (including GBA cities and overseas) to promote Hong Kong's competitiveness as a centre for international legal and dispute resolution services in the Asia-Pacific region under the National 14th Five-Year Plan. We will also tell the good stories of Hong Kong and further consolidate our solid foundation of the rule of law, and contribute to the construction of rule of law of our country.

Department of Justice November 2023

#### Annex

#### Extract of the 2023 Policy Address – Indicators for Specified Tasks of DoJ

- 1. Set up a dedicated office and an expert group **within 2024** to establish the Hong Kong International Legal Talents Training Academy for promoting exchanges among talents in regions along the B&R and nurturing legal talents conversant with international law and the country's legal system.
- 2. Continue to develop Hong Kong into a centre for international legal and dispute resolution services in the Asia-Pacific region:
  - Strive for the extension of the measures of "allowing Hong Kong-invested enterprises to adopt Hong Kong law" and "allowing Hong Kong-invested enterprises to choose for arbitration to be seated in Hong Kong" to the whole GBA within 2024.
  - Strive to conclude the discussions and sign a new arrangement for service of judicial documents in civil and commercial proceedings with the Supreme People's Court **by end-2023**; and establish a standing interfacing platform with the Supreme People's Court **within 2024** for annual high-level meetings to steer the work on facilitating the interface of the legal systems and related research work in the GBA.
  - Complete the review of the regulatory system on the accreditation and disciplinary matters of the mediation profession in Hong Kong within 2024 to strengthen mediation professionalism.
- 3. Launch the second phase of the Rule of Law Education Train-the-Leaders Programme within 2024 to train more than **200 people** from various sectors of the community so as to continue strengthening the promotion of rule of law education on all fronts in the community.
- 4. DoJ to lead local delegations comprising professionals from the legal sector to visit different regions, such as the ASEAN member states, as well as other Southeast Asian and Middle East countries annually.