

THE SIX-MONTHLY REPORT ON HONG KONG 1 JANUARY TO 30 JUNE 2019

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

31 OCTOBER 2019

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FOREWORD

This is the 45th in a series of regular reports to Parliament on the implementation of the 1984 Sino-British Joint Declaration on the Question of Hong Kong. The report covers the period from 1 January to 30 June 2019.

Although the substance of this particular Six-monthly Report covers the period up to 30 June 2019, this Foreword addresses subsequent events, which have undoubtedly led to one of the most turbulent times in Hong Kong's recent history.

As I write, tensions in Hong Kong remain high. Protests were first triggered over concerns about a bill that would have allowed people accused of crimes that would attract long custodial sentences to be extradited, with certain safeguards, from Hong Kong to mainland China. However, over the past few months, these protests have become more frequent. The scope of protesters' demands has also grown, now including calls for full universal suffrage for the elections of the Chief Executive and Legislative Council.

Meanwhile, the nature of the protests has changed, not only in terms of scale and scope, but also in terms of approach. While the overwhelming majority of protesters have been lawful and peaceful, the UK has always been clear that the violence of a hard-core minority cannot be condoned. Protesters have vandalised property and tried to shut down banks, metro stations and the airport. A police officer was injured by a knife, and petrol bombs have been thrown at police stations and other targets.

The response of the authorities has also changed. Initially, there were some positive steps to meet the legitimate concerns of the protesters. I welcomed the Chief Executive's announcement in September that she had appointed two further members to the Independent Police Complaints Council and that the Hong Kong government would "seriously follow up the recommendations made in the IPCC's report". The Chief Executive also stated that she would "reach out to the community to start a direct dialogue" and importantly that her government, as it has now done, would "formally withdraw the Extradition Bill in order to fully allay public concerns."

However, as this failed to satisfy protesters, the police deployed increasingly aggressive tactics including frequent use of tear gas and rubber bullets. A protester was shot with live ammunition, and warning shots have been fired on a number of occasions. At least 1,300 people have been injured since June, including several hundred police officers. In response, we have expressed serious concerns about the mistreatment of protesters, emphasising the right to peaceful and lawful protest and for people to stand up for their freedoms, as guaranteed under the Joint Declaration.

As I have made clear in my conversations with both State Councillor Wang Yi, China's Foreign Minister, and Chief Executive, Carrie Lam, we must look ahead to the path towards de-escalation and political resolution. Protesters must end the violence. The police response must be proportionate in their handling of protesters and safeguard the right to peaceful protest. And there must be a meaningful dialogue between all parties, with a credible political track to protect the rights and freedoms set out in Hong Kong's Basic Law and the Sino-British Joint Declaration, which reflects and respects China's avowed "One Country, Two Systems".

Hong Kong's high degree of autonomy and rule of law is what guarantees its future prosperity and success. It is incumbent on all sides to respect it.

Secretary of State for Foreign and Commonwealth Affairs

INTRODUCTION

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

The period from 1 January to 30 June 2019 saw a number of significant developments, which are covered in this report under the following categories of:

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

Events that attracted a high degree of local and international attention during the reporting period include: a proposed amendment to Hong Kong's extradition laws, and the associated large-scale protests; the trial of high-profile members of the Occupy Central movement; a proposed national anthem law; and the publication of the Greater Bay Area proposals.

CONSTITUTION AND 'ONE COUNTRY, TWO SYSTEMS'

Extradition Law – The Fugitive Offenders and Mutual Legal Assistance in Criminal Matters Legislation (Amendment) Bill

On 13 February, the Hong Kong SAR Government's Security Bureau formally proposed to the Legislative Council amending the legislation that governs Hong Kong's mutual legal assistance and extradition arrangements when the SAR has not entered into a specific agreement with another jurisdiction. The proposed legislation would have removed the need for the Legislative Council to scrutinise individual cases, and removed existing legal restrictions that prohibit co-operation with mainland China.

As justification for the changes, the Hong Kong SAR Government cited the case of Chan Tong-kai, a Hong Kong man accused of murdering his girlfriend in Taiwan, who then returned to Hong Kong where he would not face trial. The Hong Kong SAR Government highlighted that, under existing laws, there were no means to extradite him to Taiwan. Secretary for Security, John Lee, said "The proposed amendments aim at not only handling the Taiwan homicide case but also plugging the legal loophole, so that offenders of serious crimes can no longer escape the long arm of the law."

One of the effects of the changes would be to allow people to be extradited from Hong Kong to mainland China. The implications of this, along with the Hong Kong SAR Government's determination to push through the Bill, attracted criticism from business and caused public protest on a significant scale.

On 26 March, the Chief Executive-in-Council endorsed the submission of the Bill to LegCo. The Bill was published in the Hong Kong SAR Government Gazette on 29 March. The Bill included additional protections seeking to address business concerns, such as reducing the list of extraditable offences from 46 to 37 and specifying that offences would have to be punishable by more than three years in prison. But these adjustments proved insufficient to address wider concerns about the Bill.

The Hong Kong Bar Association argued that mainland China had been deliberately excluded from extradition legislation since 1997 because of the different criminal justice system and concerns over their protection of fundamental rights. Amnesty International and Human Rights Watch were concerned that, if extradited, Hong Kong people would be at risk of torture and unfair trial. The Hong Kong Journalists Association believed that allowing extradition to mainland China would threaten freedom of expression in Hong Kong.

Then FCO Minister for Asia and the Pacific, the Rt Hon. Mark Field MP, noted in Parliament on 10 April that the FCO had been in touch privately with the Hong Kong SAR Government to "seek clarity on what the proposals will mean for UK citizens, for our law enforcement co-operation and for the current extradition arrangements [and] considerably more time should be given for a full and wide consultation with interested parties."

On 28 April, a march organised by the Civil Human Rights Front, attracted 130,000 People, according to the organisers; police estimated the figure at 22,800. In response, a Hong Kong SAR Government spokesperson said that "The Government

understands that there are different views in the community on the proposed legislative amendments" and stated that they would use the Legislative Council Bills Committee to "continue to explain the legislative proposals in detail to the Legislative Council and the public."

Forming a committee to discuss the Bill in the Legislative Council proved difficult. Democratic and pro-establishment legislators vied for control, culminating in chaotic scenes in the Legislative Council on 11 May, as the different camps fought for physical control of the microphone.

On 20 May, the Hong Kong SAR Government requested to bypass the Bill's Committee stage, thereby reducing discussion of the Bill in the Legislative Council. Chief Executive, Mrs Carrie Lam, described it as a "very difficult decision", saying "This is not an act of disrespect of the Legislative Council. This is an act which we have simply no option in order to break the deadlock."

As the Hong Kong SAR Government pressed ahead with the Bill, international attention grew. On 17 May, US Secretary of State Mike Pompeo expressed concern about the proposed amendments. On 24 May, heads of EU missions in Hong Kong, including the UK, met privately with the Chief Executive to discuss their concerns. On 29 May, 15 international parliamentarians from the US, UK, Canada, Germany, Malaysia and Austria wrote to the Chief Executive to urge her to reconsider. The Chinese Government stated that the amendments would "only improve instead of undermining the rule of law in the SAR, and better safeguard the rights and freedoms that Hong Kong residents enjoy." The Chinese Ministry of Foreign Affairs also said "we

UK and Canada Joint Statement, 30 May

We have been following the proposals of the Hong Kong Special Administrative Region Government to amend the Fugitive Offenders Ordinance and the Mutual Legal Assistance in Criminal Matters Ordinance. It is clear that the proposals have generated significant debate in Hong Kong, in particular in relation to removing the territorial restrictions on extradition to mainland China.

We are concerned about the potential effect of these proposals on the large number of UK and Canadian citizens in Hong Kong, on business confidence and on Hong Kong's international reputation. Furthermore, we believe that there is a risk that the proposals could impact negatively on the rights and freedoms set down in the Sino-British Joint Declaration. It is vital that extradition arrangements in Hong Kong are in line with 'One Country, Two Systems' and fully respect Hong Kong's high degree of autonomy. We have made these views clear in our respective conversations with the Hong Kong Government.

It is important that these proposals are subject to the highest levels of scrutiny, including in the Legislative Council. We urge the Hong Kong Government to engage meaningfully with Hong Kong's broad range of local and international stakeholders in order to ensure their concerns are fully considered. We believe that the Hong Kong Government should allow time to give proper consideration of all alternative options and safeguards.

deplore and firmly oppose the attempts by the relevant governments to continuously interfere in the normal legislative process of the Hong Kong SAR."

On 30 May, the Hong Kong SAR Government announced further changes, proposing that the new laws would now only apply to crimes punishable by at least seven years in prison, and that extradition requests would have to come from the top level of government.

Opposition to the Bill was mounting in many sections of society. Over 80 secondary schools and universities launched petitions. Three senior judges gave their view that the Bill was 'unworkable'. Three thousand solicitors took part in a silent march to show their opposition. Over 70 NGOs signed a joint letter calling on the Hong Kong SAR Government to immediately halt its plans. Four hundred serving and former journalists launched a campaign against the Bill.

On 9 June, the Civil Human Rights Front organised a march, claiming that over one million people took to the streets in protest (police estimated 240,000). In response, the Hong Kong SAR Government stated that "the reasons why the Government tabled this Bill have been explained in detail on many occasions" but that the Government would "continue to engage, listen and allay concerns." The Hong Kong SAR Government affirmed that the second reading of the Bill would go ahead on 12 June.

On 12 June, tens of thousands of protesters surrounded the Legislative Council, blocking access to the building. There were clashes in nearby streets between the protesters and the police, who responded with tear gas, pepper spray and rubber bullets.

Foreign Secretary Statement, 12 June

The ongoing protests in Hong Kong are a clear sign of significant public concern about the proposed changes to extradition laws. I call on all sides to remain calm and peaceful.

I urge the Hong Kong government to listen to the concerns of its people and its friends in the international community and to pause and reflect on these controversial measures. It is essential that the authorities engage in meaningful dialogue and take steps to preserve Hong Kong's rights and freedoms and high degree of autonomy, which underpin its international reputation. Upholding the principle of 'One Country, Two Systems', provided for in the legally binding Sino-British Joint Declaration, is vital to Hong Kong's future success.

According to media reports, the Chief Executive met Chinese Vice-Premier Han Zheng in Shenzhen on 14 June to discuss the situation. In a press conference on 15 June, the Chief Executive announced that the Hong Kong SAR Government would suspend the Bill. She said that given the "overt and clear expression by Taiwan" that it would not agree to the extradition of Chan Tong-kai, the "original urgency to pass the Bill in this legislative year is perhaps no longer there." The Chief Executive also expressed "deep sorrow and regret that the deficiencies in our work and various other factors have stirred up substantial controversies."

Nevertheless, on 16 June, people took to the streets once more, demanding full withdrawal of the Bill rather than just suspension. The organisers of the march said just under two million people attended (police estimated 338,000). This represented Hong Kong's largest ever rally. In response, the Chief Executive said she had "clearly heard the views expressed in a peaceful and rational manner", and reiterated that the Bill was suspended with "no timetable for restarting the process." The Hong Kong SAR Government stopped short of formally withdrawing the Bill.

On 21 June, thousands of protesters blocked access to Government Immigration and Inland Revenue buildings, then moved to Police Headquarters. The protesters surrounded the Police Headquarters, before eventually dispersing in the early hours.

The proposals to amend Hong Kong's extradition laws clearly worried a large proportion of Hong Kong's population, and sparked widespread protests. HMG has been clear that we condemn violence, but support the right to peaceful and lawful protest. The Hong Kong SAR Government needs to identify a clear and peaceful way forward under its high degree of autonomy. It is imperative that this is done through constructive, meaningful dialogue with the Hong Kong people, to ensure the concerns of the Hong Kong people are addressed.

The unrest and protests continued beyond this reporting period. These will be covered in the Six-monthly Report for July-December 2019.

National Anthem Law

On 23 January, new legislation prohibiting 'insulting' the Chinese national anthem was presented to the Legislative Council. The proposed law would ban the use of the anthem for commercial purposes, parodies, or significant alterations of its words and score. Authorities would have two years to investigate an offence, with those found guilty liable to a fine of up to HK\$50,000 and three-year custodial sentence. Prodemocracy legislators, the Hong Kong Bar Association and the Hong Kong Law Society criticised what they believe is the subjective nature of the offence and the significant length of the investigation period (by way of comparison, summary offences in Hong Kong have a statute of limitation of six months). Activists staged a protest outside the Legislative Council during the first reading of the Bill. On 19 June, the Hong Kong SAR Government postponed the second reading until October 2019.

Comments on national security by Legal Director of the Central Government Liaison Office

At a spring luncheon with Hong Kong legislators on 19 February, Wang Zhenmin, Legal Director of the Central Government Liaison Office (CGLO) hailed a new era of "patriotism and rationality", urging the legislators to work with him to "protect state sovereignty, national security and the country's development.....there should only be a responsibility as one country, and no differences in the two systems". All 26 prodemocracy legislators boycotted the luncheon.

Comments on the Joint Declaration by Chinese Ambassador to UK

During an interview on the BBC's *Newsnight* programme on 12 June, the Chinese Ambassador to the UK, His Excellency Liu Xiaoming, referred to the Joint Declaration as an "historic document" that had "completed its mission". On 13 June, during a debate in Parliament on Hong Kong's proposed extradition law, the then FCO Minister for Asia and the Pacific, the Rt Hon. Mark Field MP, refuted the comments, stating that the Joint Declaration remained "as valid today as it was when it was signed over 35 years ago".

As stated in previous Six-monthly reports, since 2017 the Chinese Central Government has been referring to the Joint Declaration in these terms on more frequent occasions.

The Joint Declaration is a legally binding treaty, registered with the UN, and continues to be in force. It is unacceptable to suggest that it is no longer valid. As a co-signatory, the UK is committed to monitoring its implementation closely, and we have made this clear to the Chinese Government on many occasions.

SIGNIFICANT POLITICAL DEVELOPMENTS

Hong Kong National Party Executive Council hearing

The establishment of the pro-independence Hong Kong National Party (HKNP) in March 2016, and its subsequent prohibition on 24 September 2018, were covered in previous Six-monthly reports.

On 19 February 2019 the Executive Council rejected an appeal from Andy Chan Hotin, the leader of the HKNP, against the party's ban, saying that it did not trust the HKNP "not to resort to violence". The HKNP was entitled to file a judicial review request against the decision within three months. They declined to do so, with Andy Chan Hotin citing high costs and a "slim chance of victory". On 26 February, the Chief Executive stated that the Chinese Central Government had backed the Hong Kong SAR Government's approach to the ban, and had instructed her to submit a report on the decision. The report was submitted on 16 April, and published on the Hong Kong SAR Government's website on 18 April.

Although the Chief Executive regularly reports to the Central Chinese Government, to our knowledge this is the first time she has been instructed to provide a written report on a specific issue. It is important that Hong Kong's autonomy continues to be upheld.

Publication of Greater Bay Area proposals

On 18 February, the Chinese Central Government published the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), launching the 'blueprint' on 21 February in Hong Kong. The Plan set out an ambition to create a 'vibrant and internationally competitive first class bay area' that combined the economic openness of Hong Kong and Macao with the industrial strengths of Guangdong's nine largest cities to create a modern, high quality, globally integrated

economy with a 'global base of emerging industries, advanced manufacturing and modern service industries'.

The Plan's high level of ambition is indicated by the wide range of sectors it covers: innovation and advanced manufacturing, ecological protection, transport, information infrastructure, energy security, water protection, marine economy, education, culture, leisure, employment, health and social security. The area is already China's economic powerhouse: while it only covers one percent of China's landmass, and less than five percent of the population, its GDP in 2018 was over US\$1,642bn, and expected to grow to US\$4.6tn by 2030. If the 2030 prediction is achieved, this would be larger than the GDP of Australia today and a third larger than Germany's current GDP.

The Greater Bay Area presents opportunities for Hong Kong. It also raises the prospect of further integration with mainland China in a number of ways. As such, it will be important to ensure that 'One Country, Two Systems' and Hong Kong's high degree of autonomy are respected as the initiative progresses.

LEGAL AND JUDICIAL SYSTEM

Arrests at West Kowloon rail terminus

The terminus for the Hong Kong section of the Guangzhou–Shenzhen–Hong Kong Express Rail Link opened in West Kowloon on 22 September 2018. The co-location of mainland Chinese officials in the West Kowloon terminus, and the application of mainland Chinese law, continues to attract interest.

As set out in previous Six-monthly reports to Parliament, in December 2017, the Standing Committee of the National People's Congress (NPCSC), China's highest law-making authority, issued a Decision approving the co-location arrangements in the West Kowloon terminus. This was in response to a legal challenge that the arrangements, which allow mainland Chinese law to be practised within the Hong Kong SAR in a 'Mainland Port Area' of 109,000m² in the West Kowloon terminus, and within the 26km of track connecting the West Kowloon terminus with the mainland, contravened the Basic Law. A case challenging the Decision is currently with the Court of Final Appeal.

On 5 January, Chief Secretary, Matthew Cheung, issued a statement in response to media reports that two passengers – one mainland Chinese, one Hong Kong Chinese - had been arrested in the terminus in October and December 2018 by mainland Chinese law enforcement personnel. The Hong Kong SAR Government had not been informed of the arrests at the time. Mr Cheung confirmed that as the officers were carrying out civil court orders there was no requirement to notify the Hong Kong SAR Government.

Separately, a female employee, working in the West Kowloon terminus, claimed that she was indecently assaulted in both the Hong Kong SAR and mainland China port areas of the terminus. A man was arrested after the employee reported the incidents to the Hong Kong police, but only for the offence that allegedly occurred in the Hong

Kong SAR port area. The employee was told to report the other incident to the mainland Chinese police. This case highlights the complexity of the West Kowloon terminus, which is effectively one building, coming under two separate jurisdictions.

Reciprocal recognition and enforcement of judgements in civil and commercial matters

On 18 January in Beijing, the Hong Kong SAR Government Secretary for Justice, Teresa Cheng, and the Vice-President of the Supreme People's Court, Yang Wanming, signed an Arrangement on Reciprocal Recognition and Enforcement of Judgements in Civil and Commercial Matters. Non-judicial proceedings and judicial proceedings relating to administrative or regulatory matters are excluded.

The Arrangement will reportedly allow disputes with cross-boundary elements to be dealt with more efficiently by avoiding parties having to re-litigate claims and giving them greater confidence that their rights will be protected whether they pursue litigation in Hong Kong or mainland China.

On 2 April, the Secretary for Justice, Teresa Cheng, and the Vice-President of the Supreme People's Court, Yang Wanming, signed a separate Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of mainland China and of the Hong Kong SAR. Hong Kong becomes the first jurisdiction outside mainland China where parties would be able to apply to mainland Chinese courts for interim measures.

Hong Kong has concluded six arrangements with mainland China concerning various aspects of mutual legal assistance in civil and commercial matters.

The signing of these arrangements demonstrates the growing ties between the two jurisdictions in civil and commercial matters. This could have a positive impact on business, but it will be important that any arrangements respect the 'One Country, Two Systems' principle and Hong Kong's high degree of autonomy.

Trial of the Occupy Central movement founders

On 9 April, three founders and six prominent activists of the Occupy Central movement were found guilty of conspiracy to commit public nuisance, incitement to commit public nuisance, and incitement to incite public nuisance. The following sentences were given on 24 April:

Prof Benny Tai Yiu-ting, Dr Chan Kin-man and Rev Chu Yiu-ming were sentenced to 16 months for conspiracy to commit public nuisance, with the latter's sentence suspended for two years due to ill health. Tai and Chan were also convicted for incitement to commit public nuisance. Legislator Shiu Ka-chun and activist Raphael Wong Ho-ming were sentenced to eight months for incitement to commit public nuisance and incitement to incite public nuisance; Shiu Ka-chun was also barred from running for election for five years. Former legislator Lee Wing-tat and activist Eason Chung Yiu-wa received sentences of eight months, suspended for two years, for incitement to commit public nuisance, with Chung also convicted for incitement to

incite public nuisance. Activist Tommy Cheung Sau-yin received two hundred hours of community service for the same offence as Chung, Wong and Shiu received. On 10 June Civic Party legislator Tanya Chan Suk-chong received a suspended sentence of eight months for incitement to commit public nuisance and incitement to incite public nuisance. The verdict had been delayed due to her undergoing urgent medical treatment. All have appealed their sentences.

On 25 April, the then Prime Minister's spokesperson said that "it would be deeply concerning if the outcome for these individuals were to deter the people of Hong Kong from participating in peaceful protest in the future". The then Foreign Secretary stated on Twitter that "the sentences handed to the 'Occupy' activists are deeply disappointing. One Country Two Systems and the Joint Declaration are about respect for civil and political freedoms."

The US Consulate, EU Office, Amnesty International and UK NGO 'Hong Kong Watch' were among those to speak out against the charges.

In response to a question from the press, the Commissioner's Office of China's Foreign Ministry in the Hong Kong SAR stated:

"Hong Kong is under the rule of law. Everyone is equal before the law. The unlawful "Occupy Central" incident posed grave threat to public security, and undermined social stability and the rule of law in Hong Kong, running counter to the freedoms of speech and assembly enjoyed by the Hong Kong residents in accordance with law.

Hong Kong is China's Hong Kong. Hong Kong affairs are entirely China's domestic affairs. We stand firmly against any interference by any foreign forces under whatever excuse. We urge the relevant consulates and organizations based in Hong Kong to earnestly respect the rule of law in the city, abandon the erroneous practice of applying "double standards", stop interfering in Hong Kong affairs under the pretext of "human rights" and "freedom", and stop interfering in China's domestic affairs."

Freedom of speech and freedom of assembly are both guaranteed by the Joint Declaration. It is essential that these, and all other rights and freedoms, which are guaranteed under the Joint Declaration, are fully respected. It would be deeply concerning if the outcome for these individuals were to deter the people of Hong Kong from participating in peaceful and lawful protest in the future.

Joshua Wong trial and imprisonment

On 17 January 2018, student activist and Occupy Central protester, Joshua Wong Chifung, was sentenced to three months' imprisonment for obstructing bailiffs during a protest in the Mong Kok district in November 2014. After serving six days, Wong was released on bail, pending appeal. On 16 May, the Court of Appeal reduced Wong's sentence to two months. He returned to prison and was released on 17 June, after serving his sentence.

Germany asylum case

In May, media reported that pro-independence activists Ray Wong Toi-yeung and Alan Li Tung-sing had been granted asylum in Germany in May 2018. The two, who had faced rioting charges related to protests in Mong Kok in 2016, fled Hong Kong in November 2017 ahead of their trials. In an interview with the *Financial Times*, published on 22 May, the activists said they chose to speak out now because of concerns about the proposed extradition law. After reading official German government notes in their refugee case files, the pair alleged that Chinese diplomats in Germany had tried to "directly intervene" to prevent them from being granted asylum.

On 24 May, the Chief Executive issued a press release after meeting the German Acting Consul General of Hong Kong. She stated that "anyone accused of breaching the law in Hong Kong would face an open and fair trial". The Chief Executive "expressed deep regret and strong objection to the reported granting of asylum to the two bail jumpers by Germany, which had unjustifiably undermined Hong Kong's international reputation in the rule of law and judicial independence."

In a press release on 28 May, the German Consulate General in Hong Kong took note of the Chief Executive's concerns and reiterated that German Federal Government policy towards Hong Kong had not changed. The Consulate General stated that the Federal Office for Migration and Refugees (BAMF) is in charge of the procedure for granting refugee status and takes decisions independently.

To the best of our knowledge, this case is the first time that activists from Hong Kong have been granted political asylum.

Judicial appointments

On 22 May, the Hong Kong SAR Government announced the appointment of the Rt Hon. Lord Jonathan Sumption as a non-permanent judge of the Court of Final Appeal. This appointment increases the number of non-permanent judges from other common law jurisdictions to 15 (half of the CFA total), ten of whom come from the UK.

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

BASIC RIGHTS AND FREEDOMS

Equality

During this reporting period there have been several high-profile court cases, challenging the legal status of same-sex partnerships and LGBT rights in Hong Kong.

On 3 January, two gay men, who married in New York, launched a case to formally recognise their marriage in Hong Kong. The case has been adjourned until the outcome of a similar case brought by 'MK' (see below) is known.

On 1 February, three transgender men failed in their legal bid to be listed as male on their Hong Kong identity cards. The court ruled that the individuals must have gender reassignment surgery for this to happen.

On 27 February, the Court of First Instance rejected a bid by the Hong Kong SAR Government to put on hold the case of a gay married couple who had challenged their right to public housing. The case is ongoing.

On 29 May, a case accusing the Hong Kong SAR Government for discriminating against same-sex partnerships was brought to court by a woman known as 'MK'. The government's lawyer stated in court that ruling in favour of same-sex marriage would "dilute and diminish" marriage in Hong Kong. The outcome of the case will be covered in the next Six-monthly report.

On 30 May, the High Court abolished four offences that criminalised sex between men. The case had been brought by Rainbow Action activist Yeung Chu-wing in 2017.

On 6 June, senior immigration officer, Angus Leung Chun-kwong, won his case at the Court of Final Appeal to secure spousal benefits from the Hong Kong SAR Government for his husband, whom he married in New Zealand in 2014.

Marches and protests

Regular marches and protests took place during the reporting period. Those of particular note are set out below.

There is frequently a difference between organisers' estimates of turnout and those of the police. This is due partly to the fact that organisers' figures are usually based on total turnout throughout the day, and police figures estimate the peak crowd at a certain point in time.

1 January – organised by the Civil Human Rights Front, against "political suppression, inequality and waning freedoms". Some protesters clashed with police in Civic Square, outside the Legislative Council. Organisers said 5,500 attended the rally, police estimated 3,200.

4 June – the annual Tiananmen vigil took place peacefully in Victoria Park, this year marking the 30th anniversary. Organisers estimated a turnout of over 180,000, exceeding peak figures in 2012 and 2014 (police figures suggested 37,000). Tiananmen Square dissident Feng Congde was refused entry to Hong Kong (from Tokyo) ahead of the commemorations. Concerns over the new extradition bill likely contributed to the record turnout.

Full details on the marches in April, May and June connected to the proposed extradition law on pages 6-9.

OTHER REPORTS

On 21 February, US NGO Freedom House reported that Hong Kong is "partly free", with a score of 59 out of 100, the same as in 2018.

On 13 March, the US State Department published its annual Human Rights Report. It stated that the most significant issues included: the Chinese Central Government's encroachment on Hong Kong's autonomy, and government actions that had affected political protest and free speech (e.g. prosecutions against protesters and disqualification of legislators); and trafficking in persons. The Hong Kong SAR Government responded that "the One Country Two Systems principle has been fully and successfully implemented. Human rights and freedom in Hong Kong are fully protected by the Basic Law...Foreign governments should not interfere in any form in the internal affairs of the HKSAR".

On 21 March, the US State Department published its annual Hong Kong Policy Act report. It stated that during the reporting period, "the Chinese mainland central government implemented or instigated a number of actions that appeared inconsistent with China's commitments in the Basic Law, and in the Sino-British Joint Declaration of 1984, to allow Hong Kong to exercise a high degree of autonomy" such as the banning of the HKNP and refusal to renew the work visa of *Financial Times* journalist Victor Mallet. And it noted that "The tempo of mainland central government intervention in Hong Kong affairs - and actions by the Hong Kong government consistent with mainland direction - increased, accelerating negative trends seen in previous periods" Overall, the report concluded that Hong Kong maintained a sufficient, although diminished, degree of autonomy under 'One Country, Two Systems' to justify continued special treatment by the US for bilateral agreements and programmes.

On 4 April, the Foreign Affairs Committee (FAC) issued a report on China and the Rules-Based International System. Amongst the FAC's conclusions, the Committee was "deeply concerned by the evidence that Hong Kong's autonomy is at risk, especially in the area of the rule of law....we fear that Hong Kong is in reality moving towards One Country, One and a Half Systems. We also believe that the Chinese government's approach to Hong Kong is moving closer to One Country One System".

On 12 April, the Progressive Lawyers Group (PLG) published their inaugural Rule of Law Report, covering topics such as media freedom, disqualifications of election candidates and Hong Kong independence. The PLG is a group of Hong Kong lawyers dedicated to promoting rule of law, democracy, human rights, freedom and justice.

On 8 May, the EU released its annual report. It stated that the EU remained Hong Kong's second-largest trading partner after mainland China, and Hong Kong remained a major partner for the EU in goods, services and foreign investment flows. Most aspects of the One Country Two Systems principle continued "to work well". However, "concerns about the erosion of this principle, which is the cornerstone of Hong Kong's economic success, have increased over the past year". There was a "clear negative trend with respect to the erosion of civil and political rights [which gave] rise to legitimate concerns about whether Hong Kong's high degree of autonomy and its attractiveness as an international business centre will continue to be upheld in the long term". The report highlighted restrictions of the right to stand for election, the banning of the HKNP, and the refusal to renew the work visa of Victor Mallet. It stated that

"freedom of speech and freedom of information are generally respected in Hong Kong. However, the freedom of expression is facing unprecedented challenges, particularly with regard to sensitive political topics".

UK/HONG KONG BILATERAL RELATIONS

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

Visits

The Secretary for Food and Health, Professor Sophia Chan, visited the UK from 8 – 10 January, meeting with the Chief Medical Officer at the Department of Health, as well as senior management at Genomics England, and visiting Guy's Hospital and Great Ormond Street Hospital. The Secretary for Financial Services and the Treasury, James Lau, visited the UK between 7 – 9 May to participate in the inaugural UK-Hong Kong Government-to-Government Financial Dialogue with Economic Secretary to the Treasury, John Glen MP.

The Rt Hon. The Lord Mayor of the City of London, Alderman Peter Estlin, visited Hong Kong between 18 – 19 February, focusing on key areas of cooperation, such as increasing collaboration via the UK-Hong Kong Fintech Bridge. The Hong Kong Trade Development Council's Belt and Road Committee also hosted the Lord Mayor, discussing how the UK and Hong Kong could work together on third country projects.

Sir Philip Rutnam, Permanent Secretary at the Home Office, visited Hong Kong from 5-7 May, meeting counterparts to discuss, amongst other things, strengthening of collaboration on combatting illicit finance and modern slavery.

Sir Mark Sedwill, Cabinet Secretary, Head of the Civil Service and National Security Adviser, visited Hong Kong on 10 May. Sir Mark met political and business stakeholders, including the Chief Executive to discuss a wide range of areas of mutual interest and cooperation.

The Deputy Mayor of London, Rajesh Agrawal, led a London & Partners mission to Hong Kong on 20 May, focusing on partnerships and business opportunities with innovative and creative tech entrepreneurs.

Trade and investment

Despite the backdrop of US-China trade tensions, trade between the UK and Hong Kong grew in the first six months of the year. According to the Hong Kong SAR Government's Census and Statistics Department, by the end of June 2019, the SAR's exports to the UK were valued at HK\$26.68bn, while Hong Kong's imports of goods from the UK were HK\$33.5bn - a year on year increase of 18.2% and 18.4% respectively. In the reporting period, the UK therefore overtook Germany as the number one source of goods for Hong Kong from the European Union.

In addition, there were a number of events throughout the reporting period that demonstrated the deep and long-standing trade links between Hong Kong and the UK. The Department of Trade and Investment in Hong Kong launched the Great British Design Campaign on 22 March, announcing a year of design-related events which will lead up to the UK's participation as partner country to Hong Kong's Business of Design Week in December.

Culture

SPARK: The Science and Art of Creativity – Hong Kong's first Festival of Ideas celebrating creativity across the arts, sciences and education, took place between 18-20 January. The inaugural festival organised by the British Council attracted over 14,000 visitors. SPARK brought together over 200 artists, scientists and academics from the UK and Hong Kong across 37 different events.

BRICKS (Building Research Innovation for Community Knowledge and Sustainability) is an ambitious project led by the British Council that supports research and knowledge exchange in the field of social innovation. It is funded by a HK\$3 million grant from the Hong Kong SAR Government. As part of the project, a Social Innovation Research Collaboration Platform (SIRCP) workshop was held on 10 – 11 May. It aimed to foster collaboration between academics and practitioners to develop projects and new approaches to produce innovative solutions to challenges faced by communities in Hong Kong. Participants were invited to apply for funding for up to eight research projects focusing on: funding and financing social change; scaling social enterprises; and community led social innovation.

CONCLUSION

UK-Hong Kong relations remain strong. Trade and cultural ties, and people-to-people links are deeply embedded. The political situation has been turbulent. During the controversy over the extradition proposals and the subsequent protests, China has consistently reiterated its support for and adherence to 'One Country, Two Systems'. The UK reiterates that the successful implementation of this framework by China and the Hong Kong SAR Government, according to the commitments made under the Sino-British Joint Declaration, will benefit the UK, Hong Kong and China. We will continue to monitor the implementation of the Sino-British Joint Declaration and to speak out where necessary on the commitments it contains. We continue to believe that maintaining Hong Kong's high degree of autonomy and upholding its rights and freedoms in full, is the way to guarantee Hong Kong's future success and the prosperity of its people.

LIST OF ABBREVIATIONS

CFA Court of Final Appeal

CGLO Central Government Liaison Office
DIT UK Department for International Trade

FAC Foreign Affairs Committee

GBA Guangdong-Hong Kong-Macao Greater Bay Area

HKNP Hong Kong National Party

HKSAR Hong Kong Special Administrative Region

NPCSC Standing Committee of the National People's Congress

PLG Progressive Lawyers Group SAR Special Administrative Region