

The 24th Anniversary of Hong Kong's Handover Sees Its High Degree of Autonomy Severely Sabotaged; the ROC government Has Actively Responded and will Continue to Monitor, Issue Early Warnings to the Development in Hong Kong. The MAC Vows to Enhance Contingency Measures to Safeguard National Sovereignty and People's Welfare

News Reference Material

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The Mainland Affairs Council (MAC) recently published the "Analysis Report: 24 Years after Hong Kong's Handover." The report indicated that, over the past year, the CCP has launched an orchestrated and relentless political purge and taken advantage of the Hong Kong National Security Law. These moves have effected qualitative changes of the political dimension of Hong Kong's "one country, two systems" formula from "Hong Kong governed by Hong Kong people" and "high degree of autonomy" to "patriots ruling Hong Kong" and "overall governance by the Chinese Communist Party (CCP)." Hong Kong has been "Mainlandized" as a whole, and the power of checks and balances in democracy, freedom, and human rights are stifled. Hong Kong's judicial independence is faltering; its demise is only a matter of time. In addition, the Hong Kong society is in the grip of a chilling effect. More than 60% of the Hong Kong people have no confidence in Hong Kong's environment or personal freedom in the future.

On the economic sphere, Hong Kong still retains independent systems of tariffs and free trade to the casual eye and the Hong Kong dollar (HKD) to US dollar (USD) exchange rate also remains stable. However, the heavy-handed enforcement of the Hong Kong National Security Law has incurred soaring risks in Hong Kong's business environment. Some US think tanks already consider

Hong Kong almost indistinguishable from other major cities in mainland China and its economic policies clearly controlled by Beijing; therefore, Hong Kong was removed from the Index of Economic Freedom. Mainland Chinese capital continues to extend its influence in Hong Kong's finance, insurance, brokerage, stock market, and other sectors. It is widely concerned that Hong Kong's integration with mainland China could compromise its independent monetary policy, fiscal framework, financial supervision, etc.

In light of Hong Kong's deteriorating situation resulted from the implementation of the Hong Kong National Security Law, major countries have voiced condemnation, expressed concern, and conducted countermeasures in response. For example, the US signed the Hong Kong Autonomy Act and an executive order on "Hong Kong Normalization," making it the first country to point out that Hong Kong no longer enjoys a high degree of autonomy, hence the suspension of granting it special status and treatment that distinguish the city from mainland China. Furthermore, the US imposed sanctions on several CCP and Hong Kong government officials over their suppression of democracy and freedom. Moreover, the US has, for the first time, added Hong Kong to its refugee quota list. Similarly, the UK, Australia, and Canada have relaxed their immigration visa policies to support the Hong Kong people who embrace universal values.

The CCP officials in charge of Hong Kong affairs adopted the same hard line approach used in handling the anti-"extradition to China" Bill protests to make high-profile comments on Hong Kong affairs. The People's Liberation Army Hong Kong Garrison also acted in concert with the CCP to intimidate the Hong Kong people by performing military exercises. The CCP's four major offices in Hong Kong held their first-ever CCP-themed public event, which critics have described as a manifestation of the CCP's Hong Kong work officially emerging from "underground" in the early period following the handover to "on the table" currently. These actions are meant to bring it to Hong Kong people's attention that the CCP is the bona fide ruling power of Hong Kong. Meanwhile, the CCP

has also been promoting integration of the Guangdong-Hong Kong-Macau Greater Bay Area, for which purpose it unveiled pro-Hong Kong measures and other supporting policies. Nonetheless, public opinion polls show that such efforts have not significantly improved Hong Kong people's approval or recognition for the CCP.

Taiwan has always adhered to the principle of reciprocity and mutual benefit in pursuing positive development of Taiwan-Hong Kong relations and maintaining people-to-people exchanges on all levels between the two sides. In response to Hong Kong's degenerating circumstances brought about by the Hong Kong National Security Law and the Hong Kong government's demand that Taiwanese personnel posted at Taiwan's representative office in Hong Kong sign a "Letter of Commitment to One China" in exchange for work visas, Taiwan has stood firm in our position of safeguarding national sovereignty, democracy, and freedom. The government has formulated contingency measures and proposed related bills to provide the most practical support and assistance to Hong Kong people.

Relevant government agencies are now reviewing certain provisions of the Act Governing Relations with Hong Kong and Macao to effectively prevent the CCP from infiltrating Taiwan through capital or personnel exchanges coming from Hong Kong and Macao. Article 60 of the Act Governing Relations with Hong Kong and Macao, i.e. a *clausula rebus sic stantibus* (a legal doctrine which allows laws to become inapplicable as a result of a fundamental change of circumstances), has the nature of an emergency order. It expressly stipulates that application of this provision would require situations "endangering the security of the Taiwan Area." Future decisions on whether to apply this provision would demand extreme caution due to its effect on the rights and interests of the people of Taiwan, Hong Kong, and Macao. The MAC presents to the Legislative Yuan the Quarterly Report on Review of Hong Kong's Special Status and Implementation Status of the Hong Kong Humanitarian Aid Project. It has also established indicators and early warning mechanisms for assessment of the

situation in Hong Kong. In case of any future escalation of risks pertaining to undermining Taiwan's national security or infringing on Taiwanese people's rights and interests, the government will actively propose, discuss, or amend relevant laws and regulations and take necessary contingency measures to safeguard national sovereignty and people's welfare.