

Analysis Report: 20 Years After Hong Kong's Handover

- **Mainland China tightens control over Hong Kong as the people of Hong Kong continue to demand democratic universal suffrage**
- **Hong Kong benefits from economic integration with the Mainland but faces higher economic risk**
- **Human rights, freedom, and the rule of law suffer from mainland China factors; conflict and contradiction between the Mainland and Hong Kong intensify**
- **The international community feels that "one country, two systems" is functioning normally in Hong Kong, but is concerned about the development of democracy, freedom, human rights, and the rule of law**
- **Taiwan-Hong Kong relations are affected by cross-Strait relations; the ROC government firmly supports stable development to protect the people's well-being**

I. Overall Review and Analysis

Hong Kong was handed over to mainland China in 1997. The government of the Republic of China (ROC) positions Hong Kong as a "special area" unique from other areas of the Mainland to maintain consistency and continuity in its Hong Kong policy, premised on Hong Kong maintaining its free economic system and autonomous status. The government annually reports on developments in Hong Kong at all levels and the status of Taiwan-Hong Kong relations. This is the 20th such report. It presents an overview of changes and developments in the political, economic, social, and other spheres in the past 20 years.

Hong Kong has generally maintained the normal functioning of its political, economic and social systems in the 20 years since the handover. Yet, it also faces the challenges of change. Regarding political developments, mainland China is increasingly tightening control over Hong Kong. It has also delayed the progress of universal suffrage through decisions and interpretations of the Basic Law of Hong Kong (hereinafter "the Basic Law") by the Standing Committee of the National People's Congress (NPCSC). This led to the Umbrella Movement and has intensified local consciousness. On the economic front, Hong Kong's free economic system continues to function well and earn positive assessments from the international

community. However, there is concern over growing wealth inequality and the slow pace of industrial restructuring. International rating agencies have noted that mainland China's active promotion of integration of the Mainland and Hong Kong economies benefits Hong Kong. However, it has also increased Hong Kong's economic risk given the less than perfect state of the Mainland economy.

Regarding social development, long-term studies by international organizations note a gradual erosion of press freedom in Hong Kong due to capital and political pressure from mainland China. The disappearance of staff members of Causeway Bay Books represented a more serious infringement of freedom of speech, freedom of the press, and personal freedom in Hong Kong. Conflicts and contradictions between the Mainland and Hong Kong have also grown with the increasing convenience of contact between the people of the two sides since Hong Kong's handover. On June 20th this year, a Hong Kong polling organization revealed the results of a public opinion survey showing that only 3.1% of the Hong Kong people aged 18 to 29 years old identify themselves as "Chinese people broadly defined" (answering that they identify themselves as a Chinese people or Chinese people in Hong Kong), the lowest level since the handover. The same poll found that more than 90% of interviewees identify themselves as "Hong Kong people broadly defined" (answering that they identify themselves as Hong Kong people or Hong Kong people of China). The implications are worthy of deep reflection by the Mainland authorities.

The international community believes that Hong Kong has functioned stably on all levels since the handover. It also strongly affirms Hong Kong's free economy, business environment, and status as an international financial center. At the same time, it is concerned about the development of democracy, human rights, and the rule of law in Hong Kong. In particular, the international community viewed the disappearance of staff members of Causeway Bay Books as a violation of the Sino-British Joint Declaration and a serious challenge to the "one country, two systems" policy in Hong Kong. Furthermore, an NPCSC interpretation on provisions in the Basic Law pertinent to an ongoing court trial involving qualifications for the seats of two democratically-elected members of the Legislative Council sparked widespread protests in Hong Kong over Mainland intentions to intervene in the court's ruling. The international community urged mainland China not to jeopardize Hong Kong's high degree of autonomy and judicial independence.

The government formulated the Act Governing Relations with Hong Kong and Macao after Hong Kong's handover to actively promote Taiwan-Hong Kong exchanges. With

government support, Taiwan and Hong Kong have long maintained friendly private exchanges. In 2016, Taiwan was Hong Kong's third largest trading partner. That year, more than 1.32 million Hong Kong residents visited Taiwan, representing a more than fivefold increase from 1997. Taiwan has been Hong Kong's second largest visitor source market for many years. The number of Hong Kong students studying in Taiwan has grown nearly eightfold over the past decade. In 2016, there were 8,190 Hong Kong students studying for degrees in Taiwan, higher than the numbers of overseas Chinese and Hong Kong and Macao students studying in Taiwan.

Interactions between Taiwan and Hong Kong have grown more frequently since the establishment in 2010 of the Taiwan–Hong Kong Economic and Cultural Cooperation Council and Hong Kong–Taiwan Economic and Cultural Cooperation and Promotion Council platform by the governments of Taiwan and Hong Kong, respectively. In 2011, the Taiwan government's office in Hong Kong was renamed as the "Taipei Economic and Cultural Office." The Hong Kong government also set up an office in Taiwan, upgrading substantive relations between the two sides. Official interaction between Taiwan and Hong Kong has been affected by cross-Strait developments since May 20 last year. However, the government will continue to strengthen Taiwan-Hong Kong exchanges and cooperation on the existing foundation in a goodwill, pragmatic, and mutually beneficial manner consistent with mainstream public opinion in Taiwan.

The following presents an overview of developments on the 20th anniversary of Hong Kong's handover:

1. Mainland China tightens control over Hong Kong as the people of Hong Kong continue to demand democratic universal suffrage

The Hong Kong government has continued to function steadily and promote policies normally since the handover. In the early period after Hong Kong's handover, mainland China showed considerable restraint in handling Hong Kong affairs in order to support international promotion of the "one country, two systems" policy. However, since the 500,000-person "July 1st" march in 2003 and the 90,000-person sit-in protest in 2012 over implementation of a national education curriculum, mainland China has steadily shifted Hong Kong policy from "no interference" to "be appropriately proactive." In 2014, Beijing issued a white paper on "one country, two systems" asserting its full governance rights over Hong Kong and indicating that "the high degree of autonomy of the Hong Kong Special Administrative Region (HKSAR) is

subject to the level of the central leadership's authorization." Leaders of mainland Chinese agencies involved with Hong Kong affairs have recently reiterated that the relationship with Hong Kong is a "relationship of authorization and authorized and not a decentralized relationship." "Under no circumstances should the central government's powers be confronted in the name of a high degree of autonomy." They have further stated that the "two systems" can not be maintained if it threatens the security of the "one country," clearly tightening the once relaxed policy on Hong Kong. Nevertheless, the Hong Kong people continue to demand democracy, the rule of law, and human rights. On this matter, Legislative Council members have repeatedly raised motions demanding that the Mainland central government and the Liaison Office of the Central People's Government in the HKSAR (hereinafter the "Liaison Office") be prohibited from intervening in affairs related to self-government in Hong Kong.

The main political issue in Hong Kong during the 20 years since the handover has been the campaign for general election of the Chief Executive and Legislative Council members. However, mainland China has vetoed implementation of universal suffrage through NPCSC decisions or interpretations of the Basic Law in 2004, 2007, and 2014. It has also increased the threshold for the Chief Executive election and delayed the progress of universal suffrage. This has caused deep dissatisfaction among the people of Hong Kong and led to the "Umbrella Movement" in 2014. Although the movement failed to win universal suffrage for Hong Kong, it did stimulate the rise of local consciousness in Hong Kong and helped many candidates advocating Hong Kong's independence to win seats in the 2016 Legislative Council election, changing Hong Kong's political ecology. Furthermore, polls indicate that nearly 40% of young people support Hong Kong's independence, while just 3.1% identify themselves as "Chinese people." The localist camp has become an additional force along with the pro-establishment and pan-democratic camps. Its impact on the future of Hong Kong politics is especially noteworthy.

The pan-democratic camp recently demanded that the universal suffrage project be revisited. Mainland China has not responded positively. On the contrary, it has steadily pressed the Hong Kong government to draft a National Security Law according to Article 23 of the Basic Law. The issue of universal suffrage and the legislation of Article 23 of the Basic Law are expected to remain important focal points of Hong Kong's political agenda.

2. Hong Kong benefits from economic integration with the Mainland but faces higher economic risk

Hong Kong's free economy has functioned well and earned positive assessments from the international community during the 20 years since the handover to mainland China. From 1997 to 2016, Hong Kong's economy grew at an average annual rate of 3.5%. Apart from negative growth in 1998 and 2009 due, respectively, to the Asian financial crisis and US subprime mortgage crisis and other external factors, Hong Kong has long maintained steady growth momentum. The unemployment rate rose to 7.9% in 2003, but has subsequently fallen and in recent years has generally maintained in the low range of 3.3-3.4%. Recession brought deflation to Hong Kong between 1999 and 2004, but prices have remained largely stable since then.

While the economic and employment pictures have been generally smooth, worries remain over the widening income disparity and slow progress in industrial restructuring in Hong Kong. The government of HKSAR statistics indicate that Hong Kong's Gini coefficient rose from 0.525 in 2001 to 0.533 in 2006, and to 0.537 in 2011. In the recently released figures for 2016, this high level of income disparity worsened to 0.539, endangering social stability in Hong Kong. Regarding industrial restructuring, trade logistics, travel, professional services and finance have long been the four main pillars of economic growth in Hong Kong. However, Hong Kong has been vigorously promoting the development of innovative technology in response to the recent rise of the global knowledge economy, especially in the area of financial technology as Hong Kong seeks to consolidate its status as an international financial center.

Integration with mainland China has become an inescapable issue for Hong Kong following the handover. Since 2003, the Mainland has introduced several measures favorable to Hong Kong, including signing the Closer Economic Partnership Arrangement (CEPA) and CEPA Agreement on Trade in Services; allowing individual travel to Hong Kong from 49 Mainland cities; permitting renminbi transactions in Hong Kong; and launching the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. All of these measures have benefited Hong Kong's economy. Promotion of the Hong Kong-Zhuhai-Macao Bridge, Guangzhou-Shenzhen-Hong Kong Express Rail Link, and other large-scale infrastructure projects will also accelerate economic integration between the two sides. In recent years, Hong Kong has actively cooperated with mainland China on the Belt and Road Initiative, positioning itself as link between mainland China and the world and as a finance center. Commentators have indicated that economic integration between the two sides will not only deprive Hong Kong of its character as an international city, but also affect Hong Kong's

competitiveness as an international financial center. Economic linkages between the Mainland and Hong Kong could also increase Hong Kong's economic risk given the less-than-perfect state of the Mainland economy. Hong Kong's ability to remain competitive amidst the rapid development of mainland Chinese cities such as Shenzhen and Shanghai in the maritime and financial sectors is another matter of concern.

In March 2017, mainland China proposed the Guangdong-Hong Kong-Macao Big Bay Area project. However, there is some public concern in Hong Kong that the project will jeopardize Hong Kong's advantages as an international and liberal economy. Finding new momentum for economic growth and resolving existing economic development concerns are major challenges that Hong Kong will need to face in the future.

3. Human rights, freedom, and the rule of law suffer from mainland China factors; conflict and contradiction between the Mainland and Hong Kong intensify

Freedom of speech, freedom of the press, and the rule of law are important cornerstones for Hong Kong's rise as an international financial center. However, since the handover, mainland China has continued to steer the direction of media reports by acquiring shares in Hong Kong media companies through Mainland-funded organizations, granting empty titles to media owners, pressuring talk show hosts to resign, prohibiting Mainland enterprises from advertising in media critical of mainland China, and prohibiting interviewing in the Mainland by media critical of mainland China, and other methods. This has raised concerns from commentators over worsening media "self-censorship" and suppression of freedom of the press in Hong Kong. In its 2016 annual report on media independence around the world, non-governmental organization Freedom House indicated that financial and political pressure from mainland China is gradually eroding the freedom of the press traditionally enjoyed in Hong Kong. In the World Press Freedom Index by Reporters Without Borders, Hong Kong dropped from 18th place in the first survey in 2002 to 73rd place in 2016. Additionally, the local media in Hong Kong viewed the disappearance of staff members of Causeway Bay Books as the first human rights news story in 2016 and saw this as seriously undermining Hong Kong's freedom of speech and the press and infringing personal freedom in Hong Kong.

Hong Kong's independent judiciary has always been widely affirmed. The judicial system in Hong Kong has continued to operate well since the handover. However, it has been seriously challenged by successive disputes relating to mainland China. These include the

lack of prosecution in a breach of Hong Kong's Personal Data (Privacy) Ordinance by the Hong Kong Branch of Xinhua News Agency; an NPCSC interpretation overturning the Hong Kong Court of Final Appeal's judgment on right of abode; and cross-border law enforcement by the mainland Chinese police. These incidents have cast a shadow over the independence of Hong Kong's judiciary. This is especially true of a 2016 NPCSC-initiated interpretation of provisions in the Basic Law relating to an ongoing trial involving the Hong Kong government's disqualification of two members-elect of the Legislative Council for making pro-Hong Kong independence statements during an oath-taking ceremony. The attempted intervention in the judgment sparked a silent march by Hong Kong's legal professionals protesting the undermining of Hong Kong's judicial independence. The international community also repeatedly expressed concern and called on mainland China to show self-restraint.

Social interaction between mainland China and Hong Kong has increased following the handover, particularly since 2003, when mainland China began allowing individual travel to Hong Kong from 49 Mainland cities with nearly 300 million residents. Although interaction between the people of Hong Kong and the Mainland is growing closer, differences remain between the two sides on the concept of the rule of law and cultural literacy. Moreover, the number of visitors to Hong Kong has exceeded the capacity of Hong Kong's society. Children born in Hong Kong to individual Mainland visitors compete for medical and educational resources. The Mainland visitors also snap up daily necessities and affect access to public facilities. These and other conflicts gave rise to the "Reclaim Sheung Shui" movement by young people in Hong Kong seeking to drive away the Mainland visitors. The Chinese mainlanders responded by cutting up their "Exit-Entry Permit for Travelling to and from Hong Kong and Macao" and refusing to visit Hong Kong. The contradictions between the Mainland and Hong Kong have worsened with interaction between the two sides.

4. The international community feels that Hong Kong's "one country, two systems" is functioning normally, the status of Hong Kong as an international financial center still remains, but has concerns over the development of democracy, freedom, human rights, and the rule of law

Reports on Hong Kong by the United Kingdom (UK), United States (US), European Union (EU), and other members of the international community over the years note that Hong Kong's political, economic, and social systems function normally and hope that "one country, two systems" can be maintained. The US-based Heritage Foundation has ranked Hong Kong

as the world's freest economy for 23 consecutive years. The International Institute for Management Development in Switzerland ranked Hong Kong as the world's most competitive economy in 2017. The "Doing Business 2017" report published by the World Bank ranked Hong Kong fourth globally and second in Asia behind second-place Singapore. In the Global Financial Centres Index announced by British think tank Z/Yen Group, Hong Kong joined New York, London, Singapore, and Tokyo among the world's top-five financial centers. Hong Kong is also the world's largest renminbi offshore center. In sum, Hong Kong has maintained its status as an international financial center.

However, the UK, US, EU and other countries have repeatedly expressed deep concern over mainland China's increasing intervention in Hong Kong, especially in relation to freedom of press and human rights. NPCSC interpretations of the Basic Law have affected the high degree of autonomy in Hong Kong. Although these countries do not deny that the Basic Law empowers the NPCSC to render interpretations, they warn that such actions could seriously harm Hong Kong's autonomy, legislative power, and judicial independence if abused by mainland China. The disappearance of staff members of Causeway Bay Books has attracted great concern in the international community. It was criticized in a UK government report for seriously violating the Sino-British Joint Declaration. The EU viewed this as a serious challenge to Hong Kong's "one country, two systems." Twelve countries signed a joint statement denouncing the incident as an unacceptable act that challenges international norms. Former Democratic Party chairman Martin Lee Chu-ming, Demosistō Secretary-General Joshua Wong Chu-fung, and others stated during hearings at the British Parliament and US Congress that mainland China has violated commitments made to the international community and the people of Hong Kong under the Sino-British Joint Declaration to grant Hong Kong a "high degree of autonomy." They also expressed concern that "one country, two systems" has become "one country, 1.5 systems."

Mainland China and the Hong Kong government have responded by rejecting external intervention in internal affairs. Nevertheless, annual reports by the US Congressional-Executive Commission on China and US-China Economic and Security Review Commission have asked more than once the US government re-examine its position of treating Hong Kong differently from mainland China. Some senators have launched a bipartisan legislation " the Hong Kong Human Rights and Democracy Act." Subsequent developments will be especially noteworthy.

5. Taiwan-Hong Kong relations are affected by cross-Strait relations; the ROC government firmly supports stable development to protect the people's well-being

After the Hong Kong handover, the government drafted the Act Governing Relations with Hong Kong and Macao to maintain direct contact between the people of Taiwan and Hong Kong and actively promote various exchanges between the two sides. Non-governmental interaction and personnel exchanges between Taiwan and Hong Kong have grown very close with government support and private sector promotion. For example, in 2016, total trade between Taiwan and Hong Kong exceeded trade between Japan and Hong Kong, Taiwan was Hong Kong's third largest trading partner, and Hong Kong was Taiwan's fourth largest trading partner. That year, more than 1.32 million Hong Kong residents visited Taiwan, over fivefold the number in 1997, making Hong Kong the third largest source of visitors to Taiwan, while more than two million Taiwan visitors traveled to Hong Kong, making Taiwan the second largest source of visitors to Hong Kong. In the past decade, the number of Hong Kong students studying in Taiwan has grown nearly eightfold to 8,190, higher than the number of overseas Chinese and Hong Kong and Macao students in Taiwan.

Official contacts between Taiwan and Hong Kong have still been affected by the cross-Strait situation. The past phenomenon of "warm private relations and cold official relations" improved with the easing cross-Strait situation from 2008 to 2016. In 2010, the governments of Taiwan and Hong Kong respectively established the Taiwan–Hong Kong Economic and Cultural Cooperation Council and Hong Kong–Taiwan Economic and Cultural Cooperation and Promotion Council platform. Since then, interaction between the two sides has grown more frequent. In 2011, the Taiwan government's office in Hong Kong was renamed as the "Taipei Economic and Cultural Office" and the Hong Kong government set up offices in Taiwan, upgrading substantive relations between the two sides.

Through consultations and cooperation, the governments of both sides have jointly promoted facilitation measures beneficial to the people of both sides. Examples include implementing a simplified online visa application system for Hong Kong residents visiting Taiwan, prompting the Hong Kong government to allow free online visa applications for the people of Taiwan; streamlining procedures for Hong Kong residents to visit Taiwan by cruise ship, expanding tourism benefits; signing an Air Services Agreement between Taiwan and Hong Kong and memorandum of understanding on bank supervision cooperation to facilitate contact and strengthen financial cooperation between the two sides; expanding recognition of academic qualifications issued by institutions of higher learning in Hong Kong; and relaxing

conditions and rules on study, entry and exit, residence, and post-graduation applications to reside in Taiwan by Hong Kong students, attracting more Hong Kong students to study in Taiwan.

Official interaction between Taiwan and Hong Kong has also been affected by cross-strait developments since May 20 last year. However, the government will continue to strengthen the functions of contact and coordination mechanisms with the Hong Kong government on the existing foundation in a goodwill, pragmatic, and mutually beneficial manner consistent with mainstream public opinion in Taiwan. It will also actively promote exchanges and cooperation between Taiwan and Hong Kong at all levels based on sound risk management mechanisms and consideration of national security to steadily develop Taiwan-Hong Kong relations.

II. Appendix

**Controversial Events in 20 Years of Hong Kong's Handover
Four Controversies from July 2016 to June 2017**

(There were a cumulative 218 incidents from July 1997 to early June 2017. These are grouped into two subsequent tables covering the periods 1997~2007 and 2007~2017)

No.	Date	Event	Source
1	2016.9.15	<p><u>Controversy over Liaison Office intervention in the election of Legislative Council members</u></p> <p>■ <u>Liaison Office forcefully coordinates establishment camp's involvement in the election:</u> The Liberal Party's New Territories West candidate Ken Chow Wing-kan said that he was forced to withdraw from the election due to threats from persons in Beijing. Honorary Chairman of the Liberal Party James Tien Pei-chun said that officials of the Liaison Office asked him to advise Chow to withdraw from the race to prevent affecting the election of Junius Ho Kwan-yiu, a candidate for the same district.</p>	<p><u>Hong Kong's Apple Daily, 2017.9.15</u></p>
	2016.9.22	<p>■ <u>Liaison Office states that it should be concerned about the election:</u> Wang Zhenmin, head of the legal department at the Liaison Office, responded to questions after a speech over whether the Liaison Office coordinated voting and discouraged candidates during the Legislative Council election. Wang not only did not deny the claim, but even stated: "Shouldn't the central government be concerned about the Hong Kong elections?"</p>	<p><u>Hong Kong Economic Journal, 2016.9.23</u></p>
	2016.9.22	<p>■ <u>Legislative Council members demand that the Liaison Office not intervene in the election:</u> Legislative Council members Alvin Yeung, Lam Cheuk-ting, and Andrew Wan said that Article 22 of the Basic Law specifies that</p>	<p><u>Ming Pao, 2015.9.23,, Hong Kong's Apple Daily, 2017.9.15</u></p>

	<p>2016.9.25</p>	<p>no department of the Central People's Government may interfere in the affairs which the HKSAR administers on its own in accordance. Elections are Hong Kong's internal affairs. The Liaison Office can not interfere in electoral matters. Moreover, there is no constitutional position allowing interference with Hong Kong's elections.</p> <p>■ <u>The Hong Kong government supports broad contact, though such contact may not violate the law:</u> HKSAR Secretary for Constitutional and Mainland Affairs Raymond Tam Chi-yuen indicated that any organization or person can have "extensive contact with all parties," including the Liaison Office. The bottom line is that such contact cannot violate any electoral regulations and must be handled in strict accordance with the Basic Law.</p>	<p>Hong Kong Economic Journal, 2016.9.26</p>
<p>2</p>	<p>2016.11.4</p> <p>2016.11.6</p> <p>2016.11.7</p>	<p><u>NPCSC interpretations undermine Hong Kong's judicial independence</u></p> <p>■ <u>NPCSC self-initiated interpretation of the Basic Law related to Legislative Council members' oath-taking incident:</u> During an ongoing trial in the Hong Kong courts related to whether proclamations on "Hong Kong's independence" during the swearing-in ceremony invalidated the oaths of Legislative Council members-elect Sixtus Leung Chung-hang and Yau Wai-ching, the NPCSC rendered a self-initiated interpretation on the case under Article 104 of the Basic Law. The interpretation stated that officeholders in Hong Kong, including members of the Legislative Council, must take their oaths sincerely and solemnly or else be disqualified from holding office.</p> <p>■ <u>10,000-person protest march:</u> About 13,000 people participated in a march organized by the Hong Kong Civil Human Rights Front to "protect the rule of law in Hong Kong and oppose NPCSC interpretations on cases under trial.</p> <p>■ <u>UK and US concerns over judicial</u></p>	<p>Ta Kung Pao, 2016.11.5</p> <p>Hong Kong's Apple Daily, 2016.11.8</p> <p>Reuters, Hong Kong 01,</p>

	2016.11.8	<p><u>independence:</u> The British Foreign and Commonwealth Office stated that, although it recognizes the authority of the NPCSC to interpret laws, it is closely watching interpretations at this time. It urged mainland China, the Hong Kong government, and all elected members to avoid actions that cause concern or harm "one country, two systems." The US Department of State expressed disappointment over the NPCSC interpretation and emphasized its support for Hong Kong's Legislative Council and judicial independence.</p> <p>■ <u>Hong Kong legal professionals protest encroachment on judicial independence:</u> The Hong Kong Bar Association declared that NPCSC interpretations on cases under trial and awaiting judgment are extremely unfortunate and raise the suspicions of the Hong Kong people over the central government's resolve in implementing "Hong Kong ruled by the Hong Kong people with a high degree of autonomy." They also weaken Hong Kong's international image of independent justice. Member of the Hong Kong Legislative Council representing the Legal Functional Constituency Dennis Kwok Wing-hang said that the NPCSC interpretation is a direct interpretation of local law in Hong Kong. This violates provisions in Article 158 of Basic Law limiting interpretations by the central government on matters regarding relations with Hong Kong. The association therefore organized a silent protest march by black-attired legal professionals. About 3,000 people participated in the march.</p>	2016.11.7 <u>Sing Pao Daily News, 2016.11.9, Hong Kong Economic Times, 2016.11.7</u>
3	2016.7.3	<p><u>Effects of mainland China factor on press freedom in Hong Kong</u></p> <p>■ <u>The Journalists Association annual report notes harm to freedom of press:</u> The Hong Kong Journalists Association released its latest annual report, entitled "One Country, Two Nightmares: Hong Kong media caught</p>	<u>Sing Tao Daily, 2016.7.4</u>

	2016.10.18	<p>in ideological battleground." The report indicated that Hong Kong's high degree of autonomy has been deeply undermined by Beijing to an unprecedented extent. It noted that the Chinese government or Mainland corporations now have direct control or stakes in eight of the 26 mainstream media outlets, representing 31% of the total. Further, owners or news heads of more than 80% of the mainstream media outlets have benefited from establishment appointments or awards.</p> <p>■ <u>Intervention by persons with CPC ties in Hong Kong's television operations:</u> Former Deputy Secretary General of the CPC Shanghai Municipal Party Committee Li Ruigang was appointed as non-executive director and vice chairman of the board at Hong Kong Television Broadcasts Limited (TVB). Grace Leung, a lecturer at Chinese University of Hong Kong's School of Journalism and Communication, said that the great majority of capital flowing into Hong Kong's television market in recent years has come from mainland China. She expressed concerns that this will heighten media attention to political correctness and political monitoring, undermining freedom of the press.</p>	<u>Central News Agency, 2016.10.18</u>
4	2017.2.21	<p><u>Mainland intervention in the Hong Kong Chief Executive election</u></p> <p>■ <u>Liaison Office expresses support for specific candidates:</u> Reiterating an earlier statement by NPCSC Chairman Zhang Dejiang, Liaison Office Director Zhang Xiaoming stated during a meeting with nearly 100 NPC and CPPCC representatives for the HKSAR that the central government supports Chief Executive candidate Carrie Lam Cheng Yuet-ngor. He refuted that this constituted intervention in the election and claimed that concern for the election is a responsible expression.</p>	<u>Ming Pao, 2017.2.22</u>
	2017.3.1	<p>■ <u>Mainland warns election committee members to pay attention to their</u></p>	<u>Ming Pao, 2017.3.2</u>

	2017.3.23	<p><u>business in the mainland:</u> New People's Party Vice Chairman Michael Tien Puk-sun said that persons at various departments in mainland China "reminded" him and other election committee members to heed their business in mainland China and asked them to support Carrie Lam Cheng Yuet-ngor.</p> <p>■ <u>Legislator proposes a motion to prohibit interference in elections:</u> Legislative Council member Edward Yiu Chung-yim proposed a motion to urge central government agencies in mainland China not to intervene in the Chief Executive election. Legislative Council member representing the Information Technology functional constituency Charles Mok said that the Liaison Office intensified intervention in this year's Chief Executive election: "This was worse than any time in the past. The intervention was deeper, both in intensity and time, than earlier interventions." The motion was approved by the geographical constituency but rejected by the functional constituency. The motion was rejected.</p>	<u>Hong Kong Economic Journal, 2017.3.24</u>
	2017.3.26	<p>■ <u>International media commentary on mainland China's intervention in elections:</u> The Associated Press reported that the election of Carrie Lam Cheng Yuet-ngor was unsurprising since she was the candidate picked by mainland China. Radio France Internationale said that Lam's win was unsuspectful given Beijing's all-out efforts to solicit votes for Lam. The UK Financial Times said that Lam's leadership could be affected by her overly-close ties to Beijing.</p>	<u>Sing Pao Daily News, 2017.3.27</u>
	2017.4.3	<p>■ <u>Candidate's campaign staff member protests Liaison Office interference in elections:</u> Mark Pinkstone, the chief information officer for Chairwoman of the New People's Party Regina Ip Lau Suk-ye, who ran in the latest Chief Executive election, wrote an article in the English-language Hong Kong Free Press</p>	<u>Initium Media, 2017.4.3</u>

		<p>criticizing mainland China for manipulating this year's Chief Executive election through the Liaison Office. Such actions not only violate Article 22 of the Basic Law, but also have made the Hong Kong people lose trust in the "one country, two systems" principle. He pointed out that the Liaison Office offered the other two candidates John Tsang Chun-wah and Regina Ip Lau Suk-yea positions, respectively, as CEO of the Asian Infrastructure Investment Bank and President of the Legislative Council in exchange for dropping out of the race.</p>	
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Cases Related to Mainland China's Violations of Commitments to Hong Kong on Implementing "One Country, Two Systems" (1997~2007)

Commitment	Basis of Commitment	Violations
<p>1. Hong Kong ruled by the Hong Kong people</p>	<p>Deng Xiaoping disclosed the "one country, two systems" policy and proposal for "Hong Kong ruled by the Hong Kong people" during meetings on June 22 and 23, 1984, with a Hong Kong business delegation visiting Beijing and Hong Kong public figure Chung Sze Yuen.</p>	<ul style="list-style-type: none"> ■ The mainland Chinese authorities sparked the "love the country, love Hong Kong" controversy, stating that "Hong Kong people ruling Hong Kong" should mean the ruling of Hong Kong affairs by Hong Kong people, with patriots forming the main body of administrators" and criticizing persons of the pro-democracy camp for lack of patriotism (<u>The Sun</u>, 2004.2.13, A10). ■ Tung Chee-hwa stated in a policy address that Hu Jintao directly instructed him during a work report to first consult the central government's views on political reform issues (<u>Oriental Daily News</u>, 2004.01.08).
<p>2. High degree of autonomy</p>	<p>Article 2 of the Basic Law of Hong Kong: "The National People's Congress authorizes the HKSAR to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law"</p>	<ul style="list-style-type: none"> ■ Mainland Vice Premier Qian Qichen demanded that civil servants support Tung Chee-hwa's re-election. (<u>Hong Kong Economic Journal</u>, 2000.9.27). ■ State Councilor Tang Jiaxuan stated that political neutrality by public functionaries "is the British approach" (<u>Hong Kong Economic Journal</u>, 2003.10.17). ■ The NPCSC's second interpretation in 2004 determined that general elections for the Chief Executive and the Legislative Council in Hong Kong would not be held before 2008. The UK and the US separately issued statements accusing the CPC of undermining the guarantee of a "high degree of autonomy" under the Sino-British Joint Declaration and eroding the Basic Law (<u>Hong Kong Economic Journal</u>, <u>Oriental Daily News</u>, 2004.04.27). ■ The Liaison Office warned Hong Kong businesspeople with operations in mainland China and their relatives to not support pro-democracy candidates (<u>Hong Kong Economic Journal</u>,

		<p>2004.5.14, <u>Apple Daily</u>, 2004.8.5). It also compiled and distributed a list of recommended pro-China candidates (<u>Hong Kong Economic Journal</u>, 2004.8.16, <u>Hong Kong Economic Times</u>, 2007.12.12).</p> <ul style="list-style-type: none"> ■ Legislative Council member Emily Lau Wai-hing proposed a motion in the Legislative Council urging the central government not to intervene in the internal affairs of the HKSAR (<u>Ming Pao</u>, 2006.12.21).
3.Economic freedom	<p>Article 5 of the Basic Law of Hong Kong: "The socialist system and policies shall not be practised in the HKSAR, and the previous capitalist system and way of life shall remain unchanged for 50 years"</p>	<ul style="list-style-type: none"> ■ Chairman of Hong Kong's Liberal Party James Tien Pei-chun said that the "Sinicization of Hong Kong" is raising international investment concerns (<u>Sing Tao Daily</u>, 1999.01.05). ■ Legislative Council member James To Kun-sun expressed suspicions that the Independent Commission Against Corruption did not investigate mainland-funded agencies for fear of displeasing the central government and may even have had a secret arrangement with mainland China (<u>Apple Daily</u>, 2000.03.25). ■ Deputy Director of Taiwan Affairs at the Liaison Office He Zhiming warned Hong Kong businesspeople not to do business with businesspeople supporting "Taiwan independence," or else bear the full consequences (<u>Hong Kong Economic Journal</u>, 2000.06.01). ■ The media indicated that Pacific Century CyberWorks (PCCW) successfully bid for Hong Kong Telecom with help from the CPC (<u>Hong Kong Economic Journal</u>, 2000.03.28). However, the CPC also obstructed an asset sale by PCCW in 2006 (<u>Ming Pao</u>, 2007.1.1).
4.Judicial independence	<p>Article 2 of the Basic Law of Hong Kong: "The National People's Congress authorizes the HKSAR to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power,</p>	<ul style="list-style-type: none"> ■ Secretary for Justice Elsie Leung Oi-sei decided not to prosecute a case against Sing Tao Group chair Sally Aw Sian. The public questioned whether Sally Aw Sian was spared prosecution due to her pro-China status (<u>Apple Daily</u>, 1998.3.18, 1999.2.28). ■ The NPCSC's first interpretation of the

	<p>including that of final adjudication, in accordance with the provisions of this Law"</p> <p>Article 19 of the Basic Law of Hong Kong: "The HKSAR shall be vested with independent judicial power, including that of final adjudication"</p>	<p>Basic Law overturned a judgment by the Hong Kong Court of Final Appeal, raising criticism in Hong Kong and the international community over the undermining of the Hong Kong judiciary's power of final adjudication (<u>Apple Daily</u>, <u>Hong Kong Economic Journal</u>, <u>Ming Pao</u>, 1999.6.27-30).</p> <ul style="list-style-type: none"> ■ The Cheung Tze-keung case in November 1998, Su Zhi-yi case in April 2000, and December 2003 case involving the accidental arrest of mainland Chinese police handling a cross-border case sparked controversy over harm to Hong Kong's judicial autonomy (<u>Apple Daily</u>, 1998.11.12, <u>Sing Tao Daily</u>, 2000.4.24, <u>Hong Kong Economic Journal</u>, 2003.12.3).
<p>5.Human rights and freedom</p>	<p>Article 4 of the Basic Law of Hong Kong: "The HKSAR shall safeguard the rights and freedoms of the residents of the HKSAR and of other persons in the Region in accordance with law"</p>	<ul style="list-style-type: none"> ■ Pan-democratic camp individuals repeatedly have Home Visit Permits refused or revoked. ■ The Hong Kong government refuses to issue visas to obstruct exchanges between Hong Kong residents and exiled mainland Chinese democracy activists (<u>Hong Kong Economic Journal</u>, 1999.4.22, 2001.1.30, <u>Hong Kong Economic Times</u>, 2002.4.156), officials and public figures from Taiwan, and Falun Gong members (<u>Sing Tao Daily</u>, 2000.6.29, <u>Hong Kong Economic Journal</u>, 2001.5.6, <u>The Sun</u>, 2002.7.1). ■ Mainland China refuses to allow the Pope to visit Hong Kong due to the Vatican's diplomatic relations with Taiwan (<u>Hong Kong Economic Journal</u>, <u>Apple Daily</u>, 1999.8.10). It also obstructed exchanges between Catholics in the Mainland and Hong Kong due to dissatisfaction over canonizations by the Holy See made without consulting it (<u>Apple Daily</u>, 2000.10.11). ■ More than 500,000 Hong Kong residents marched to protest restriction of freedoms after the Hong Kong government proposed a consultation document on Article 23 of the Basic Law. The Hong Kong government ultimately withdrew the bill after the march attracted

		international concern (<u>Hong Kong Economic Journal</u> , 2003.7.2).
6. Freedom of the press and speech	Article 27 of the Basic Law of Hong Kong: "Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions, and to strike"	<ul style="list-style-type: none"> ■ A Hong Kong movie distributor decided by self-censorship not to acquire three movies on the Dalai Lama and Tibet (<u>United Daily News</u>, 1997.10.20). ■ Human Rights Press Award-winning movie "Howling Wolves on Sky Mountain" was shelved before being broadcast due to concerns over the Xinjiang independence issue (<u>Liberty Times</u>, 1998.6.16). ■ CPC officials told Hong Kong reporters not to pose sensitive questions, such as asking Zhu Rongji how he felt during an encounter with a demonstration (<u>Hong Kong Economic Journal</u>, 1998.4.8), and asking Jiang Zemin if Tung Chee-hwa was hand-picked for reelection (<u>Hong Kong Economic Journal</u>, 2000.10.28). ■ Thugs smashed the windows of an Apple Daily news gathering truck and warned journalists not to recklessly take photos in mainland China (<u>Hong Kong Journalists Association journal</u>, 1998.8.19). ■ Mainland Vice Premier Qian Qichen considered remarks made on Radio Television Hong Kong (RTHK) program "Letter to Hong Kong" by Cheng An-kuo, a former general manager of the Chung Hwa Travel Service, to promote the "two states theory" in violation of "Qian's Seven Principles." He ultimately ordered the transfer of the Hong Kong government official supervising RTHK (<u>Apple Daily</u>, 1999.8.20, <u>Sing Tao Daily</u>, 1999.10.20). ■ After Cable TV Hong Kong broadcast an exclusive interview with ROC Vice President Annette Lu Hsiu-lien, Liaison Office Deputy Director Wang Fengchao warned that the Hong Kong media may not spread or advocate remarks on the "two states theory" or "Taiwan independence," adding that this is unrelated to "freedom of the press." (<u>Wen Wei Po</u>, 2000.4.13). ■ Comments on "Taiwan independence"

		<p>and "Tibetan independence" were removed from the discussion and chat sites on IM123.com website (<u>Apple Daily</u>, 2000.4.30).</p> <ul style="list-style-type: none">■ South China Morning Post China Edition editor Willy Wo-lap Lam was replaced after writing an article criticizing Beijing for interfering in the Chief Executive election (<u>Hong Kong Economic Journal</u>, 2000.11.3).■ Metro Broadcast chief news editor Paul Cheung was fired for his handling of news related to the Hong Kong government's hard-line treatment of Falun Gong (<u>Hong Kong Economic Journal</u>, 2002.8.17).■ A public opinion survey conducted by the Hong Kong Journalists Association showed that 58.5% of the respondents believe that press self-censorship has worsened since the handover and is especially evident in the watering down of negative news of the CPC central government (<u>Hong Kong Journalists Association press release</u>, 2007.2.10).■ RTHK's "Headliner" program was taken off the air due to a backlash by pro-China figures over its coverage of current affairs (<u>Hong Kong Economic Journal</u>, 2000.9.29).■ The programs of talk radio host Albert Cheng, Raymond Wong Yuk-man Jason Wu and others were taken off the air or moved to an inferior time slot due to criticism of the CCP. Like-minded host Allen Lee also left his host position due to feeling political pressure (<u>Apple Daily</u>, 2004.5.4, <u>Hong Kong Economic Journal</u>, 2004.5.14).■ CITIC Guoan Group Company bought out Hong Kong's Asia Television (ATV), evoking concerns (<u>Ming Pao</u>, <u>Apple Daily</u>, and <u>Sing Tao Daily</u>, 2006.5.13).
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Cases Related to Mainland China's Violations of Commitments to Hong Kong on Implementing "One Country, Two Systems" (2007~2017)

Note: Some of the cited provisions are excerpts of the relevant text and not the full text of the law.

Commitment	Basis of Commitment	Violations
1. Hong Kong ruled by the Hong Kong people	Deng Xiaoping disclosed the "one country, two systems" policy and proposal for "Hong Kong ruled by the Hong Kong people" during meetings on June 22 and 23, 1984, with a Hong Kong business delegation visiting Beijing and Hong Kong public figure Chung Sze Yuen.	<ul style="list-style-type: none"> ■ Director of the Liaison Office's Research Department Cao Erbao wrote that Hong Kong's governing force consists of not only the team established by the HKSAR, but also a second governing team formed by mainland Chinese departments involved in Hong Kong-related work (Hong Kong Economic Journal, 2009.4.18) ■ During a meeting with Director of the HKSAR Office of the Chief Executive Gabriel Leung, Director of the Liaison Office's Research Department Cao Erbao expressed hope that the Hong Kong government would block a Legislative Council investigation into the West Kowloon Cultural District incident involving Chief Executive candidate Leung Chun-ying (Hong Kong Economic Journal, 2012.3.20)
2. High degree of autonomy	<p>Article 2 of the Basic Law of Hong Kong: "The National People's Congress authorizes the HKSAR to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law"</p> <p>Article 12 of the Basic Law of Hong Kong: "The HKSAR shall be a local administrative region of the People's Republic of China, which shall enjoy a high</p>	<ul style="list-style-type: none"> ■ Mainland central government units involved in Hong Kong affairs and the Liaison Office have intervened in Hong Kong's elections at all levels. Such actions include pressuring candidates to withdraw from races, coordinating the races of establishment candidates, and warning and cautioning political figures with economic interests in mainland China or members of Mainland-invested enterprises to vote for specific candidates (Hong Kong's Apple Daily, 2007.12.3, Hong Kong Economic Journal, 2008.5.26, Ming Pao, 2008.9.8, Hong Kong's Apple Daily, 2011.11.27, Hong Kong Economic Journal, 2012.3.20, Sing Tao Daily, 2012.12.31, Ming Pao editorial, 2013.1.1, Hong Kong's Apple Daily, 2016.9.15, Ming Pao, 2017.3.2) ■ Liaison Office intervenes by lobbying Legislative Council members and seeking voter support (Sing Tao Daily, 2013.11.8, Ming Pao, 2017.6.15) ■ Liaison Office Director Zhang Xiaoming indicated that the chief executive possesses a

	<p>degree of autonomy and come directly under the Central People's Government"</p> <p>Article 17 of the Basic Law of Hong Kong: "The HKSAR shall be vested with legislative power"</p> <p>Article 22 of the Basic Law of Hong Kong: "No department of the Central People's Government and no province, autonomous region, or municipality directly under the Central Government may interfere in the affairs which the HKSAR administers on its own in accordance with this Law --- all offices set up in the HKSAR by departments of the Central Government, or by provinces, autonomous regions, or municipalities directly under the Central Government, and the personnel of these offices shall abide by the laws of the Region"</p> <p>Article 26 of the Basic Law of Hong Kong: "Permanent residents of the HKSAR shall have the right to vote and the right to stand for election in accordance with law"</p>	<p>special legal position that transcends the executive, the legislature, and the judiciary. Twenty-three pro-democratic camp members of the Legislative Council issued a joint declaration stating that this violates the intent of the Basic Law (Ta Kung Pao, 2015.9.13, Hong Kong Economic Times, 2015.9.15)</p> <ul style="list-style-type: none"> ■ Legislative Council members propose a motion demanding that Mainland central government units and the Liaison Office not intervene in Hong Kong's affairs (Ming Pao, Ta Kung Pao, 2008.6.12, Hong Kong Economic Journal, 2015.6.25, Hong Kong Economic Journal, 2017.3.24) ■ Mainland China's State Council issues white paper on the "Practice of the 'One Country, Two Systems' Policy in the HKSAR." It states that the Mainland has "full governance rights" over Hong Kong and that "the high degree of autonomy of HKSAR is subject to the level of the central leadership's authorization." (Hong Kong Economic Journal, 2014.6.11) ■ NPCSC interpretations hinder the scheduling of general elections (Hong Kong Economic Times, 2007.12.30, Wen Wei Po, 2014.9.1) ■ The Hong Kong Garrison of mainland China's People's Liberation Army conducted a high-profile exercise to deter the "Occupy Central movement" and "Hong Kong independence" (Oriental Daily News, 2013.3.30, Sing Pao Daily News, 2015.7.5). It also supported the establishment of the Army Cadets to extend influence on campuses (Hong Kong's Apple Daily, 2015.1.18)
3.Economic freedom	Article 109 of the Basic Law of Hong Kong: "The Government of the	<ul style="list-style-type: none"> ■ Director of the State Council's Hong Kong and Macao Affairs Office Wang Guangya

	<p>HKSAR shall provide an appropriate economic and legal environment for the maintenance of the status of Hong Kong as an international financial centre"</p>	<p>publicly stated the conditions that the next chief executive must meet and criticized Hong Kong's civil service for failures in governing Hong Kong. The US Heritage Foundation said that Wang's remarks concern Hong Kong's internal affairs and endanger Hong Kong's free economy. (<u>Hong Kong's Apple Daily</u>, 2012.1.13)</p> <ul style="list-style-type: none"> ■ A media editorial indicated that Hong Kong's regulatory and law enforcement authorities are unable to understand and investigate Hong Kong's China Resources Group Chairman and Communist Party chief Song Lin for suspected involvement in illegal activity. (<u>Ming Pao editorial</u>, 2014.4.1) ■ Honorary Chairman of the Liberal Party James Tien Pe-chun stated at a forum that Mainland-funded enterprises will infiltrate all aspects of life for Hong Kong residents. The future fight for democracy and preservation of a good life style will be more difficult since the Mainland central government has control. (<u>Stand News</u>, 2017.4.4)
<p>4.Judicial independence</p>	<p>Article 2 of the Basic Law of Hong Kong: "The National People's Congress authorizes the HKSAR to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law"</p> <p>Article 19 of the Basic Law of Hong Kong: "The HKSAR shall be vested with independent judicial power, including that of final adjudication"</p>	<ul style="list-style-type: none"> ■ Mainland Chinese police crossed the border and arrested Hong Kong residents holding a sit-in protest on Lo Wu Bridge in support of Liu Xiaobo. The police brought the protesters back to Shenzhen and detained them for four hours. (<u>Metro Daily</u>, 2009.12.28) ■ Zhou Yongjun, a mainland Chinese student activist leader detained in Hong Kong, was taken back to Shenzhen by mainland Chinese law enforcement officers. (<u>Hong Kong Economic Journal</u>, 2010.1.21) ■ Mainland China's Ministry of Foreign Affairs sent three letters to the Hong Kong courts demanding that the court align with the position of the mainland Chinese government in a case related to the Congo and a mainland Chinese state-owned enterprise. (<u>Hong Kong Economic Journal</u>, 2011.6.9) ■ Black-attired Hong Kong legal professionals marched in protest of an NPCSC-initiated interpretation of the Basic Law related to an ongoing trial involving the oath-taking by Legislative Council members. (<u>Ta Kung Pao</u>, 2016.11.5, <u>Sing Pao Daily News</u>, 2016.11.9)
<p>5.Human rights and freedom</p>	<p>Article 4 of the Basic Law of Hong Kong:</p>	<ul style="list-style-type: none"> ■ During an interview with the Hong Kong media, Hao Tiechuan, director of publicity,

	<p>"The HKSAR shall safeguard the rights and freedoms of the residents of the HKSAR and of other persons in the Region in accordance with law"</p> <p>Article 27 of the Basic Law of Hong Kong: "Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions, and to strike"</p> <p>Article 28 of the Basic Law of Hong Kong: "The freedom of the person of Hong Kong residents shall be inviolable"</p> <p>Article 34 of the Basic Law of Hong Kong: "Hong Kong residents shall have freedom to engage in academic research, literary and artistic creation, and other cultural activities"</p>	<p>culture and sports affairs under the Liaison Office, criticized a study on identity conducted by the Public Opinion Programme at the University of Hong Kong and implied that the program director Robert Chung Ting-yiu intended to "subvert" the mainland Chinese regime. The academic community denounced the Liaison Office for interfering with academic freedom. (<u>Hong Kong Economic Journal</u>, 2011.12.29, <u>Ming Pao</u>, <u>Hong Kong's Apple Daily</u>, 2011.12.30)</p> <ul style="list-style-type: none"> ■ The Hong Kong Ballet cancelled a 12-minute segment on the Red Guards during the Cultural Revolution in the second performance of a ballet. The media claimed that this was due to intervention by the Liaison Office. (<u>Ming Pao editorial</u>, 2013.10.31, <u>Hong Kong Daily News</u>, 2013.11.3) ■ The Liaison Office forcibly demanded that Mainland students studying in Hong Kong, Hong Kong employees of Mainland enterprises, and Hong Kong associations oppose the Occupy Central movement. (<u>Ming Pao</u>, 2014.7.30, 7.18) ■ The disappearances of staff at Hong Kong's Causeway Bay Bookstore sparks controversy over illegal cross-border arrests and evokes concern from the international community. (<u>Hong Kong Economic Journal editorial</u>, 2016.1.4, <u>Ming Pao</u>, 2016.1.6, <u>Hong Kong's Apple Daily</u>, 2016.3.12, <u>Ming Pao editorial</u>, 2016.6.18)
6. Freedom of the press and speech	<p>Article 27 of the Basic Law of Hong Kong: "Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade</p>	<ul style="list-style-type: none"> ■ Hao Tiechun, director of publicity, culture and sports affairs at the Liaison Office, called the secretary of Hong Kong Economic Journal boss Richard Li Tzar kai to express dissatisfaction with the newspaper's reporting on Liaison Office interference in the Chief Executive election (<u>am730</u>, 2012.3.23) ■ Digital Broadcasting Corporation Hong Kong Limited (DBC) employees played a tape at a protest showing that the Liaison Office objected to remarks critical of mainland China by DBC talk show host Li Wei-ling and hinted that the

	unions, and to strike"	<p>station's major shareholders oppose Li's continued employment (<u>Hong Kong's Apple Daily</u>, 2012.10.22)</p> <ul style="list-style-type: none">■ Publisher of the free Hong Kong metro newspaper "am730" stated in an interview that Mainland enterprises were instructed to stop advertising in the newspaper due to its criticism of mainland China (<u>Sing Tao Daily</u>, 2014.1.15)■ Sino United Publishing (Holdings) Limited, a Liaison Office controlled entity with an 80% of Hong Kong's book publishing market in Hong Kong and is controlled by the Liaison Office, refused to sell books on the Occupy Central movement, but allowed the sale of books critical of the Occupy Central movement (<u>Hong Kong's Apple Daily</u>, 2015.4.9)■ The Hong Kong Journalists Association Annual Report notes that freedom of the press in Hong Kong has been undermined by pressure from mainland China (2007~2016)■ Mainland China's Alibaba Group bought the South China Morning Post and appointed former Deputy Secretary-General of the Shanghai Municipal Committee Li Ruigang as vice chairman of TVB. The move raised public concern over worsening "self-censorship" and harm to freedom of the press (<u>Ming Pao</u>, 2016.12.12, <u>Central News Agency</u>, 2016.10.18)
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