

**THE QUARTERLY REPORT ON REVIEW OF  
HONG KONG'S SPECIAL STATUS AND  
IMPLEMENTATION STATUS OF THE HONG  
KONG HUMANITARIAN AID PROJECT**

**OCTOBER TO DECEMBER 2020**

**REPORT TO LEGISLATIVE YUAN**

Mainland Affairs Council  
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## I. INTRODUCTION

On May 28, 2020, mainland China's National People's Congress (NPC) adopted the Decision on "Establishing and Improving the Legal System and Enforcement Mechanisms for the Hong Kong Special Administrative Region (HKSAR) to Safeguard National Security" (hereinafter "Decision"). Later on June 30, Beijing announced the implementation of the Law of the People's Republic of China (PRC) on Safeguarding National Security in the HKSAR (hereinafter "National Security Law"). The law not only is in defiance of democracy and the rule of law in Hong Kong, it also harms the freedom and rights of the people of Hong Kong. All political parties in Taiwan and the international community concurrently denounce Beijing's moves and oppose such violation of democracy and human rights by the Chinese Communist Party (CCP) under the false pretenses of national security.

The Internal Administration Committee of the Legislative Yuan passed an extemporaneous motion on the Hong Kong Humanitarian Aid Project the same day the Decision was adopted, which "requests the Mainland Affairs Council (MAC) to submit a quarterly written report updating the implementation status of the said Project." In addition, at the 15th meeting of the first session of the 10th Legislative Yuan, held on May 29, party caucuses in the legislature issued a joint statement further "requests MAC to submit a quarterly report reviewing Hong Kong's special status with regard to the assessment of Hong Kong's political, economic and social independence."

Considering the profound harm done to human rights and freedom of the Hong Kong people by the National Security Law, and by instruction of the President and the Premier, MAC mapped out the Hong Kong Humanitarian

Aid Project to defend the universal values of freedom, democracy and human rights, as well as convey and provide care to the Hong Kong people. Under the existing platform for promoting Taiwan-Hong Kong exchanges, the Taiwan–Hong Kong Economic and Cultural Co-operation Council, the Taiwan-Hong Kong Office for Exchanges and Services was established as a public service window to provide streamlined services and necessary care for the people of Hong Kong.

MAC presented the following report to the Legislative Yuan on developments in Hong Kong during this reporting period, from October to December 2020.

## **II. OBSERVATIONS AND ASSESSMENT OF THE SITUATION IN HONG KONG**

In the six months since the National Security Law was enacted, the CCP and Hong Kong government have continued to arrest pro-democracy proponents in disregard of international sanctions and public backlash. They have also vigorously pushed ahead with plans to integrate Hong Kong and mainland China so as to bring Hong Kong's economy and society under control. Major political, judicial, economic, and social developments in Hong Kong as well as international responses during this reporting period were as follows:

### **1. Politics and the Judiciary**

Despite the National Security Law has had a chilling effect on Hong Kong civil society, crackdown on and arrest of dissent by the Hong Kong government show no sign of abating.

On November 21, 2020, Hong Kong online radio host for channel D100 Wan Yiu-sing, better known as “Giggs”, who had led a crowdfunding campaign called "Thousand fathers and mothers: Taiwan education aid program" to solicit donations for protesters who fled to Taiwan, was arrested for offenses of secession. His arrest was the first made by the Hong Kong police citing violation of Article 21 of the National Security Law, “providing pecuniary or other financial assistance to others for secession.”

Later on in December, Hong Kong media tycoon, founder of Next Digital, Jimmy Lai became the first to be indicted under the National Security Law for "colluding with a foreign country or external forces to endanger national security." Furthermore, three students who participated in a graduation day protest at the Chinese University of Hong Kong (CUHK) were detained on suspicion of inciting secession as they were reported to have chanted and displayed protest slogans.

According to Hong Kong media report, as of late December, the National Security Department (NSD) of the Hong Kong Police Force had made 40 arrests, issued arrest warrants for 30 pro-democracy activists overseas, and indicted four people since the sweeping legislation was imposed by Beijing on June 30. Self-exiled former Legislative Council members Ted Hui and Baggio Leung, among others, were known to be on the wanted list of the police.

The NPC Standing Committee adopted the Decision on Qualification of Members of the Legislative Council (LegCo) of the HKSAR on November 11. This allowed the city’s government to expel lawmakers deemed to be advocating or supporting "Hong Kong independence," soliciting intervention by foreign or external forces in the HKSAR affairs, or failing to fulfil the legal

requirements and conditions on upholding the Basic Law. As a result, the Hong Kong government immediately disqualified four pan-Democratic lawmakers, including Civic Party members Alvin Yeung, Dennis Kwok and Kwok Ka-ki, as well as Kenneth Leung of the Professionals Guild. The remaining 15 pro-democracy camp legislators resigned en masse in protest over the expulsion, raising public concern over the whittling away of institutional checks and balances in the LegCo.

On the judicial front, in October 2020, seven defendants accused of rioting during a major anti-extradition (*to China*) protest last year have been acquitted of all charges by a Hong Kong Court. However, a series of court rulings in December have called into question Hong Kong judicial system's integrity as it faces considerable political pressure and undue interference. Under high-profile attacks by the Mainland media, the Hong Kong Court of Final Appeal reversed a lower court's decision to grant bail to Jimmy Lai and ordered him back to prison. In addition, former Demosistō Secretary-General Joshua Wong, Chairperson Ivan Lam, and member Agnes Chow faced heavy sentence for their roles in the siege of the police headquarters the year before. Furthermore, the Hong Kong Court of Final Appeal ruled that the Prohibition on Face Covering Regulation was constitutional and demanded that the costs of the appeals be paid by those pan-Democrats who applied for judicial reviews. On the other hand, Hong Kong and Macao Affairs Office Deputy Director Zhang Xiaoming stated on November 17 that it was time to revamp Hong Kong's judiciary, causing mounting concerns over the city's judicial independence.

In addition, the 12 Hong Kong pro-democracy activists detained in mainland China after being intercepted at sea by the Chinese coastguard while fleeing the city, widely known as the so-called Hong Kong 12 and has

drawn global attention since, was set to face prosecution on December 30. The Shenzhen Yantian District People's Court in the first instance sentenced Tang Kai-yin and Quinn Moon to three years and two years in prison, respectively, for organizing an illegal border crossing. The remaining eight activists, Cheng Tsz-ho, Yim Man-him, Cheung Ming-yu, Cheung Chun-fu, Wong Wai-yin, Li Tsz-yin, Andy Li, and Kok Tse-lun, received seven months behind bars for illegally crossing the border. Since Yantian prosecutors said they would not charge Hoang Lam Phuc and Liu Tsz-man, who were minors at the time of their arrest, the two were handed to the Hong Kong Police Force after admitted wrongdoing in court.

## **2. Economy**

US logistics company DHL and New York University Stern School of Business released the DHL 2020 Global Connectedness Index (GCI), which analyzes international flows of trade, capital, information, and people across 169 countries and territories. This year's edition of the GCI saw Hong Kong ranking the 25th in the world in terms of its connectedness with top rank on financial freedom and capital account openness.

However, the 2020 Report to Congress by the US-China Economic and Security Review Commission (USCC), published in the same month, questioned threats to freedom of speech as well as the chilling effect on international financial institutions and multinational companies in Hong Kong posed by the National Security Law. Furthermore, it pointed out that the national security law enables the government to intervene in Hong Kong's banking system, such as freezing bank accounts and seizing personal assets, indicates the demise of protections of property rights due to the weakening of the rule of law. The report concluded that relevant

uncertainties created by the National Security Law will affect investors' willingness needed to sustain foreign portfolio investment flowing into Hong Kong. It also expressed pessimism over Hong Kong's ability to maintain its status as global financial hub.

According to Hong Kong government statistics, the number of foreign companies in Hong Kong fell by 2.7% in 2020, the first decline seen in a decade. The study also found that 4% of foreign companies intended to leave Hong Kong, providing further evidence of shaken investor confidence in Hong Kong's business environment.

Yet at the same time, not only did the number of Chinese companies in Hong Kong increase by 10.3%, but both the CCP's 14th Five Year Plan and the Chief Executive's annual policy address emphasised advancing integration of Hong Kong with mainland China. Moreover, pro-China media in Hong Kong attributed critically the rise of populism and wealth inequality in Hong Kong to capitalism, and advocated for a reconstruction of the city's economic system based on "socialism with Chinese characteristics." These developments, among others, have raised concern among international community and global credit rating agencies over growing risks of the erosion of Hong Kong's high degree of autonomy as the integration process with the Mainland may take a toll on the city's independent monetary policy, fiscal framework, and financial regulation.

On October 30, the Hong Kong government announced that it would formally launch legal procedures through the World Trade Organization (WTO) dispute settlement mechanism in protest against the US demand that Hong Kong goods for export to the US must be labelled "Made in China", effective from November 9, 2020. It reiterated that the US measure weakens

Hong Kong's membership status as a separate customs territory under the WTO. The Hong Kong Productivity Council further stated that this was an isolated case with the US and would not affect cooperation between overseas buyers and Hong Kong manufacturers.

### **3. Society**

A protest march organized by the Civil Human Rights Front – a pro-democracy coalition – on National Day, October 1, was banned by the Hong Kong police. However, calls circulated online for people to take to the streets to join unauthorized pro-democracy protests in six different districts on October 1 under the slogan “there’s no national day celebration, only national mourning.” In addition, on messaging forums used by protestors, some called for evening flash-mob rallies marking the Mid-Autumn Festival as it happened to be on the same date as the National Day. As a result, at least 86 people were arrested that day for “unlawful assembly” by the Hong Kong police.

This was the second large-scale protest in Hong Kong since the enactment of the National Security Law; the first was the mass demonstration flooded Kowloon back on September 6. According to statistics released by the Hong Kong Police Force on December 11, 2020, a total of 10,171 people were arrested from June 2019 to the end of November 2020 for participating in anti-extradition (*to China*) protests; among the arrested, 2,389 people were prosecuted; and of all the people prosecuted, 695 were charged with rioting.

Freedom of expression and free press as well as academic freedom in Hong Kong continued to be suppressed during this reporting period. Hong



Kong public broadcaster Radio Television Hong Kong (RTHK) freelance producer Choy Yuk-ling, also known as Bao Choy, was arrested on charges of breaching the law for making false statement to access a public database of car registrations. Choy was seeking to obtain vehicle license plate information for her investigative documentary, titled “7.21 Who Owns the Truth”, which looks into the violent mob attacks on pro-democracy protesters of the anti-extradition (*to China*) movement that took place last year at Yuen Long metro station. In addition, Hong Kong television network i-Cable announced mass dismissal, including all the reporters of its investigative program News Lancet, which has frequently aired sensitive reports related to the police and the administration. Some suggested the sackings of the entire team at News Lancet were made out of political pressure.

On the other hand, the Hong Kong Education Bureau demanded that university presidents lay out plans on how to implement requirements under the National Security Law, such as removing the so-called Lennon Walls on campus and promotion materials related to the anti-extradition (*to China*) movement. The government further stated that law enforcement agencies could step in and intervene if universities fail to ensure compliance with national security regulations.

Moreover, the NSD of the Hong Kong Police Force launched a multi-platform hotline for people to report suspected breaches of the city’s sweeping National Security Law on November 5 and claimed to have already received over 10,000 tip-offs in the first week. Critics denounced the informers’ hotline as a reminiscence of mainland China’s Cultural Revolution, when neighbours were encouraged to monitor and inform on each other.

In the newly adopted Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035, the CCP mentioned, for the first time, maintaining the long-term prosperity and stability of the HKSAR and Macao SAR. However, amidst ongoing actions by the authorities in the name of maintaining stability, including suppression of dissidents, clamping down on social freedom, and establishment of a reporting hotline, public opinion poll announced by Hong Kong Public Opinion Research Institute last December found that, on a scale of 0 to 10, Hong Kong people's rating on all five core social indicators of "freedom", "stability", "prosperity", "rule of law", and "democracy" continued to be low. Their scores were 4.68, 4.17, 4.11, 4.01, and 3.85 respectively. While rating of "democracy" ranked the lowest, rating of "prosperity" has dropped significantly and registered its new low since the 1997 handover.

In addition, in a survey study done by a team of experts from the CUHK, the Hong Kong University and the Hong Kong Baptist University, it was found that nearly 90% of the high school students interviewed had no confidence in the Hong Kong government and nearly 70% said they did not trust passers-by. Both findings were sharply higher compared to a similar survey conducted back in 2019. Overall, relevant data shows that as most Hong Kong people, the younger generation included, have lost confidence in the city's future, there is also this rising public concern over the future development of Hong Kong's civil society.

#### **4. International Responses**

On October 14, the US Department of State announced it had submitted its first report to the Congress required under Section 5(a) of the

Hong Kong Autonomy Act. It also stated that the release of the said report underscores the US ongoing objection to Beijing's actions that are intentionally designed to erode the freedom of the people of Hong Kong and impose the CCP's oppressive policies.

During the reporting period, the US government continued to impose sanctions on individuals over their alleged involvement in dismantling the promised autonomy and freedoms of Hong Kong. To date, a total of 28 Mainland and Hong Kong officials have been sanctioned, including Deputy Director of the Office for Safeguarding National Security Li Jiangzhou, Deputy Director of the Hong Kong and Macao Affairs Office Deng Zhonghua, head of the National Security Division of the Hong Kong Police Force Edwina Lau, and Senior Superintendent of Police Steve Li Kwai-wah for crushing dissent and curbing freedoms in Hong Kong; and 14 vice-chairmen of the NPC Standing Committee over their role in Beijing's disqualification last month of elected opposition lawmakers in the city's Legco. Furthermore, the US Department of State announced the decision to terminate five cultural exchange programs with mainland China, one of them being the Hong Kong Educational and Cultural Program.

In response to US action against 14 vice-chairman of the NPC Standing Committee, the CCP revoked visa exemption for US diplomatic passport holders visiting Hong Kong and Macao. Beijing also claimed that it would impose reciprocal sanctions on some of US officials, Congress members, NGO personnel, and their immediate family members as countermeasure against US actions over Hong Kong.

The British government submitted its 47th Six-Monthly Report on Hong Kong to parliament on November 23. The report criticized that the

National Security Law has not only seriously restricted free speech and press, but also threatened academic freedom and civil rights of the Hong Kong people. It also raised concern regarding the legislation being served as a tool for political prosecution and endangering the city's judicial independence.

The National Security Law provided that Hong Kong's Chief Executive will appoint judges to hear national security cases, along with other provisions that allow the mainland authorities to take jurisdiction over certain cases without any independent oversight, and to try those cases in the Chinese courts; therefore, the British government said it would monitor the use of these provisions closely, including its implications for the role of British judges in Hong Kong's justice system. Moreover, British Foreign Secretary Dominic Raab said he has begun consultation to review the appropriateness for British judges to sit as non-permanent judges on the Hong Kong Court of Final Appeal.

On the other hand, according to data provided by the U.K.'s Passport Office, the UK issued over 272,000 British National (Overseas) (BNO) passports to Hong Kong residents during the first 11 months of 2020, nearly 80% higher than the numbers issued over the entire year of 2019. Based on monthly analysis, BNO passport issuance increased significantly after the enactment of the National Security Law, with nearly 60,000 BNO passports issued in both October and November.

Other major countries also continue to provide assistance to the people of Hong Kong. For example, Canada had relaxed its immigration policies for Hong Kong residents and subsequently announced special Hong Kong immigration initiative. Under the new initiative, Canada would waive the one-year waiting period that usually applies to failed asylum claimants;

also, no person would be disqualified from claiming asylum who is fleeing persecution, or any other immigration route, if they have not committed a crime that would be applicable under Canadian law. According to New Hong Kong Cultural Club, a Canada-based group of Canadian supporters of democracy in Hong Kong, 14 Hong Kong activists have been granted asylum in Canada since the end of 2020. Furthermore, about 3,000 Hong Kongers have been offered safe haven in Australia last year as reported by the media.

### **III. IMPLEMENTATION STATUS OF THE HONG KONG HUMANITARIAN AID PROJECT**

On July 1, 2020, the Taiwan-Hong Kong Office for Exchanges and Services (hereinafter "Exchanges and Services Office"), the specially established public service window under the Hong Kong Humanitarian Aid Project, began formal operation. The Office provides consultation and assistance to Hong Kong people coming to Taiwan for study, employment, investment, entrepreneurship, immigration, and residency, as well as customized services to transnational enterprises and international organizations for relocating to Taiwan. It also pragmatically handles matters related to humanitarian assistance and care for the people of Hong Kong based on national security considerations, in accordance with existing laws and regulations, and through public-private partnerships. A review of the operations of the Exchanges and Services Office during this reporting period is as follows:

- 1.** The Exchanges and Services Office has so far handled more than 1,700 phone calls and emails pertaining to services provided since its opening.

The majority of the cases involve inquiries about coming to Taiwan for immigration, residency, investment, employment, or study. All inquiries made were duly responded in accordance with current laws, regulations and implementation measures or after further consultation with relevant agencies. It has also submitted a summarized review to relevant agencies (institutions) for improvement or deliberation in regard to the opinions and feedback reflected by Hong Kong people, including: difficulty in getting appointments for document verification in Hong Kong, and need to relax restrictions on outstanding Hong Kong graduates to work in Taiwan, among others.

2. The government has drafted guidelines for handling matters regarding Hong Kong residents who come to Taiwan for humanitarian assistance under the situations covered by Article 18 of the Act Governing Relations with Hong Kong and Macao. It would render decisions in such cases based on a joint review of the threat level of applicants' personal safety and liberty, along with the degree of emergency hazard in individual cases. Each case would be duly handled in conformity with humanitarian principles and related laws and regulations. The Exchanges and Services Office would then step in to provide further assistance and guidance when it comes to study, employment, and daily care on a case-by-case basis. Moreover, for Hongkongers who were permitted to stay or reside in Taiwan, additional guidance would be provided. At present, we already have several successful cases where applicants have settled in, whether studying or working, and led independent lives in Taiwan.

3. The Exchanges and Services Office will continue to update information on its webpage, including the FAQ section; database information on study, employment, investment, entrepreneurship, and immigration; directions for relocation to Taiwan by international corporations; and CliffsNotes guides on living in Taiwan, among others. This allows those who have inquiries to find useful answers conveniently whenever needed.

#### **IV. CONCLUSION**

Since the enactment of the National Security Law, MAC has closely watched developments in Hong Kong and shown solidarity with world democracies in support of freedom and democracy in Hong Kong. It has also taken concrete actions to provide care and assistance to the people of Hong Kong. In the future, MAC will continue, on the existing foundation, to enhance related measures and assess the necessity to adopt contingency plans in a timely manner, so as to protect Taiwan's national security; ensure the interests of the people are not compromised by the changing situation in Hong Kong; and defend universal values.