inserts in December 2010 and December 2011 respectively, the regulatory regime of Chinese medicines has been fully implemented.

In recent years, Chinese medicine has been developing along the direction of evidence-based medicine. Since 2003, the Government has been setting up Chinese medicine clinics in all 18 districts in phases. There are now 16 such clinics.

In 2002, the Department of Health launched the Hong Kong Chinese Materia Medica (CMM) Standards project with the aim of establishing reference standards on quality and safety of Chinese herbal medicines commonly used in Hong Kong. As announced in the 2009-10 Policy Address, the Government has been expediting the development of standards for CMM, to cover up to a total of 200 commonly used Chinese herbs, for completion by end 2012.

Maritime and Civil Aviation

Hong Kong has a superb geographical location, with a unique position as a cosmopolitan city and China's southern gateway. With well-developed and extensive transportation and information networks, and a highly efficient and reliable international airport and a deep water port, Hong Kong has developed into one of the busiest container ports in the world, as well as a major international civil aviation and air cargo hub. Hong Kong's renowned airport and port services have provided a good foundation for the steady development of its trade and logistics industries. Achievements in these areas stem in no small part from the implementation of the Basic Law since the reunification.



Travellers line up at airline check-in counters at the Hong Kong International Airport. ★

Maritime Industry

International Maritime and Logistics Hub

Hong Kong is a long-established free port practising a free and open multilateral trade system. Ships fulfilling the requirements stipulated under the laws of Hong Kong and the relevant international conventions can freely enter and leave the port after going through the necessary procedures.





Major new facilities at Hong Kong International Airport continue to come into operation to enhance service levels and meet future demand. ⊙

According to Article 127, private shipping businesses and shipping-related businesses and private container terminals in Hong Kong may continue to operate freely. The Kwai Tsing Container Terminals (KTCTs) are located in the north-western part of the harbour. There are nine container terminals with 24 berths and a total handling capacity of over 19 million twenty-foot equivalent units (TEUs) per year. The KTCTs are a forerunner in terms of productivity and efficiency, and play a key role in Hong Kong's status as a major port in Southern China. In 2011, Hong Kong handled 24.4 million TEUs, making it one of the world's busiest container ports.

The Hong Kong Shipping Register and Management of the Port

The Marine Department of the Hong Kong Government manages the Hong Kong Shipping Register (HKSR) and the port. The Department liaises closely





with industry organisations through a number of advisory and consultative committees, which helps ensure the smooth and efficient operation of the port.

Kwai Tsing Container Terminals.

According to Article 125, Hong Kong is authorised by the CPG to continue to maintain a shipping register and issue related certificates under its legislation, using the name "Hong Kong, China". With over 1,950 vessels, amounting to a total gross tonnage of 68.3 million as at the end of 2011, the HKSR is the fourth largest register worldwide. Hong Kong-registered ships are also well known for their quality.

Civil Aviation

The Basic Law and Hong Kong Civil Aviation

Under Article 128, the Hong Kong Government shall provide conditions and take measures to maintain the status of Hong Kong as a centre of international and regional aviation.

Matters relating to civil aviation include the right to use airspace across different countries and regions and the right of operating air services. Following international practice, Hong Kong handles various civil aviation matters on the basis of related international agreements and national laws. The Basic Law divides these matters into three categories and applies different arrangements.

1. The CPG, in consultation with the Hong Kong Government, makes arrangements to provide air services between the HKSAR and the Mainland.





- 2. All agreements providing air services between other parts of the PRC and other states and regions with stopovers in Hong Kong and air services between Hong Kong and other states and regions with stopovers in other parts of the PRC are concluded by the CPG. In doing so, the CPG takes into account the special conditions and economic interests of Hong Kong and consults the HKSAR Government.
- 3. All scheduled air services to, from or through Hong Kong, which do not operate to, from or through the Mainland are regulated by the air service agreements or provisional arrangements made by the Hong Kong Government under the authorisation of the CPG.

Except for these arrangements, Hong Kong enjoys a high degree of autonomy on matters relating to civil aviation. It is responsible on its own for matters of routine business and technical management of civil aviation, including the management of airports, the provision of air traffic services within its flight information region, and the discharge of other responsibilities allocated to it under the regional air navigation procedures of the International Civil Aviation Organisation. In addition, Hong Kong keeps its own aircraft register in accordance with provisions laid down by the CPG concerning nationality marks and registration marks of aircraft.

Since reunification, under specific authorisation of the CPG, the Hong Kong Government has continued to negotiate and conclude bilateral air services agreements with aviation partners, providing the legal basis for scheduled air services between Hong Kong and other places. The Government has also concluded 61 air services agreements and is committed to further expanding Hong Kong's aviation network and enhancing market competitiveness. The Government has also continued to grant licences to airlines incorporated in Hong Kong with their principal place of business in Hong Kong; designate airlines in accordance with the related air service agreements and provisional arrangements; and issue permits to foreign airlines for services other than those to, from or through the Mainland.

Excellent Airport Services

Hong Kong's aviation matters are mainly taken care of by the Civil Aviation Department and the Airport Authority Hong Kong. The Civil Aviation Department handles air traffic control, issues permits to airlines registered in Hong Kong, monitors the implementation of bilateral civil aviation arrangements, and regulates general civil aviation activities in the HKSAR. The Airport Authority is responsible for the management, operation and development of the Hong Kong International Airport.

Hong Kong is a hub of people, goods, capital and information flows in Asia. More than 100 airlines operate in Hong Kong, providing aviation services between Hong Kong and over 160 cities around the world. As part of the





Airport Core Programme, the new Hong Kong International Airport (HKIA) at Chek Lap Kok commenced service in 1998, marking a new era in local aviation and consolidating Hong Kong's position as an international aviation centre. In 2011, HKIA served 53.9 million passengers, moved 3.93 million tonnes of cargo and handled more than 333,000 aircraft movements. Since 1996, HKIA has been the world's busiest international cargo airport. In terms of international passenger volume, HKIA ranked third in the world. Over the years, HKIA has been named nearly 50 times by travellers around the world and industry practitioners as the finest airport in the world. HKIA has also been expanding its cross-boundary network with the Pearl River Delta (PRD) area via coaches, limousines and ferries. In 2011, 4.3 million passengers travelled between HKIA and the PRD using the airport's cross-boundary transport services.





The Airport Authority announces HKIA Master Plan 2030.★

