



The Vice-Premier of the State Council, Mr Li Keqiang, delivers a keynote speech, entitled “Step up Co-operation for Development and Prosperity”, at the Forum on the National 12th Five-Year Plan and Economic, Trade and Financial Co-operation and Development Between the Mainland and Hong Kong in 2011. ©

Complementing the National 12th Five-Year Plan

Based on the “One Country, Two Systems” principle and the Basic Law, Hong Kong has endeavoured to enhance further co-operation with the Mainland in recent years. Various co-operation platforms and frameworks at different levels have been established, yielding encouraging results for the collaboration between the two sides. These co-operation platforms and frameworks enable Hong Kong to fully leverage on its unique status and advantage of being a part of China to further consolidate its status in the international arena.

In March 2011, the 4th Session of the 11th National People’s Congress passed the “Outline of the Twelfth Five-Year Plan for the National Economic and Social Development of the People’s Republic of China” (the National 12th Five-Year Plan). The Plan unprecedentedly included a dedicated chapter (the Dedicated Chapter) on the Hong Kong and Macao Special Administrative Regions, which highlighted the support of the CPG for Hong Kong in –

- further consolidating and elevating its competitive advantages, including its status as an international centre for financial services, trade and shipping; and in developing Hong Kong into an international asset management centre and an offshore RMB business centre, so as to strengthen its global influence in the financial sector;
- nurturing emerging industries and facilitating them in extending their fields of co-operation and scope of service in the Mainland; and deepening Hong Kong’s economic co-operation with the Mainland, including the on-going implementation of the CEPA, deepening co-operation between Guangdong, Hong Kong and Macao and implementation of the “Framework Agreement on Hong Kong/Guangdong Co-operation” (the Framework Agreement).

In August 2011, Vice Premier of the State Council, Mr Li Keqiang,



The Vice-Premier of the State Council, Mr Li Keqiang, officiates at the launch ceremony of Renminbi sovereign bonds in Hong Kong in 2011. ©

visited Hong Kong and announced a series of concrete policies and measures formulated by the CPG under the requirements of the National 12th Five-Year Plan to support Hong Kong in further developing and deepening its co-operation with the Mainland. There are more than 30 policies and measures (the New Supporting Policies and Measures) covering areas such as economic and trade, finance, society and people's livelihood, tourism and co-operation between Guangdong and Hong Kong.

The Dedicated Chapter and the announcement of the New Supporting Policies and Measures signify landmark progress in Hong Kong's work in complementing the National 12th Five-Year Plan. The Dedicated Chapter, enshrining the "One Country, Two Systems" principle, highlights the important functions and positioning of Hong Kong in the national development strategy, maps out the direction of co-operation between the Mainland and Hong Kong during the National 12th Five-Year Plan period, and provides a solid policy framework for the coming implementation work. The New Supporting Policies and Measures announced by Vice Premier Li Keqiang in August 2011 further crystallise the CPG's three major directions of support for Hong Kong into concrete deliverables, enabling Hong Kong to implement the complementing work to the full.

The New Supportive Policies and Measures reflect the CPG's resolve to support Hong Kong's development. They also open up new horizons and room for further development to match the practical needs of Hong Kong.

In the 12th Five-Year Plan period, the Mainland will focus on promoting the growth of the services industries. This will enable Hong Kong's financial and commercial services to further expand their businesses, and enhance the development of other professional services, modern logistics, the cultural and innovation industries, as well as the energy conservation and environmental protection industries. As announced by Vice Premier Li Keqiang, the CPG will



Vice-Premier Li Keqiang visits the Hong Kong Exchanges and Clearing Limited. ★



Vice-Premier Li Keqiang visits the International Finance Centre. ★



The Financial Secretary, Mr John C Tsang (second from right), with Acting President of the Hong Kong Polytechnic University, Professor Philip Chan (left); Deputy Director General of Guangdong Provincial Department of Science and Technology, Mr Gong Guoping (right); and Vice Mayor of the Shenzhen Municipal People's Government and Chairman of the Shenzhen side of the Steering Group on Shenzhen/Hong Kong Co-operation in Innovation and Technology, Mr Yuan Baocheng (second from left). ©

work towards the policy objective of basically achieving full liberalisation of Hong Kong's trade in services in the Mainland by the end of the National 12th Five Year Period through further enhancing the implementation of CEPA. With this clear and important policy objective in place, the two places will continue to go full steam in stepping up mutually beneficial co-operation.

Hong Kong/Guangdong Co-operation

As stated clearly in the National 12th Five-Year Plan, Hong Kong will further enhance regional co-operation with the Mainland, in particular with Guangdong.

Co-operation between Hong Kong and Guangdong has a long history. Its importance has been increasing in recent years. Promulgated by the National Development and Reform Committee in early 2009, "The Outline of the Plan for the Reform and Development of the PRD" formally elevated the strategic status of Hong Kong/Guangdong co-operation from regional to state level. In April 2010, the Framework Agreement was signed between Hong Kong and Guangdong in Beijing, witnessed by state leaders. Announced in March 2011, the National 12th Five-Year Plan stressed the need for deepening co-operation between Guangdong and Hong Kong and implementing the Framework Agreement. It further confirmed the positioning of the Framework Agreement in the development of the two places, and highlighted the strategic status and important role of Hong Kong-Guangdong co-operation in the overall development of the nation.



Vice-Premier Li Keqiang (second from right), the Chief Executive, Mr Donald Tsang, the Chief Executive (Designate) of the Macao Special Administrative Region, Mr Fernando Chui Sai-on (left), and other officials at the ceremony in Zhuhai on 15 December 2009 marking the start of construction on the Hong Kong-Zhuhai-Macao Bridge. ©



The ultimate objective of Hong Kong-Guangdong co-operation is to fully leverage on the relative advantages of the two places to elevate the economic and urban development of the entire PRD Area, and to contribute to the development of other regions by showcasing the mode of co-operation between the two places.

Pearl River Delta Metropolis

In addition to Guangdong, Hong Kong's socio-economic integration with other parts of the PRD has also been highly beneficial to both the Mainland and Hong Kong. With a combined population of over 55 million in 11 major cities including Hong Kong and Macao, the PRD region is home to the largest regional economy in China, and some of the most prosperous and fastest growing cities on the Mainland.

Added to these are Hong Kong's close geographical, cultural and business links with the cities of the delta, which have provided a solid basis for further integration. Numerous research studies all point to the economic synergy, potential and dynamism of creating a world-class metropolis in the delta. According to a recent study, the GDP per capita of the emerging PRD Metropolis will reach approximately US\$100,000 by 2038, surpassing that of New York, Tokyo or London.



The Secretary for Constitutional and Mainland Affairs, Mr Stephen Lam, attended the seventh High-Level Forum on Pan-Pearl River Delta Regional Co-operation and Development Forum and Trade Fair at Qianhu State Guesthouse, Nanchang, Jiangxi in 2011. ©



The Secretary for Constitutional and Mainland Affairs, Mr Stephen Lam, attended the "Sixth Pan-Pearl River Delta Regional Co-operation and Development Forum and Trade Fair" (PPRD Forum) in Fuzhou, Fujian. Mr Lam held a conference with other PPRD leaders to discuss the direction and major initiatives of future co-operation at the Fuzhou International Conference and Exhibition Centre in August 2010. ©



Signing Ceremony of Agreements on Co-operation in Trade and Finance between the Mainland and Hong Kong.★



The Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link is being built and will complete in 2015.★



The MTR introduces its design for the West Kowloon Terminal.★



The Chief Executive, Mr Donald Tsang (centre), officiates at the launching ceremony for works on the Hong Kong Boundary Crossing Facilities of the Hong Kong-Zhuhai-Macao Bridge in 2011. ★



Artist's Impression of East Kowloon Development Plan. ©(Photo courtesy Architectural Services Department.)



Artist's Impression of West Kowloon Terminal of Guangzhou-Shenzhen-Hong Kong Express Rail Link. ©



The further economic integration of the PRD region is expected to generate greater demand for services and goods, better economies of scale, and broader mobility of people in terms of livelihood and consumption in the area.

The PRD metropolis is more than just a concept or vision. Following the completion of the inter-city infrastructural projects, notably the Hong Kong-Zhuhai-Macao Bridge and the high-speed rail between Hong Kong and Guangzhou, those who travel, reside and work in the delta will enjoy better connectivity and greater convenience.

Co-operation with other Mainland provinces and municipalities

Since reunification, Hong Kong has been fostering closer relations with various Mainland provinces and municipalities. In addition to Guangdong and Shenzhen, Hong Kong has established co-operation platforms of the Pan-PRD Region provinces and regions, as well as Beijing and Shanghai to strengthen mutually beneficial co-operation. All these will help Hong Kong enterprises explore new development opportunities in the Mainland.

Hong Kong-Taiwan Co-operation

Hong Kong-Taiwan relations are a unique part of cross-Strait relations. Since the reunification, the Hong Kong Government has been actively and pragmatically promoting co-operation and exchanges between Hong Kong and



The sleek facade of the Hong Kong Pavilion at the World Expo 2010 in Shanghai. ©