

Consolidated List of Proposed Action Agenda of the Four Focus Groups

Action Agenda Proposed by the Focus Group on Trade and Business

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
T1. To inculcate a “Brand Hong Kong” culture throughout the whole community	T1-1 To establish a high-level “Brand Hong Kong Group” as the Brand Creator and Brand Manager of the “Brand Hong Kong”. This Group should be supported by a dedicated team equipped with sufficient resources to work with relevant government and non-government agencies to undertake specific activities to take forward the “Brand Hong Kong” message on a sustained basis. As a start, the Group may consider the following priority items and longer-term actions:	2007	Commerce, Industry and Technology Bureau, and Information Services Department		

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	<p><u>Priority items</u></p> <p>T1-2 Organising seminars and workshops to equip senior government officials with the latest thinking on how to incorporate design and branding in their organisations' interfacing with the public.</p> <p>T1-3 Leveraging on the world's attention on the 10th Anniversary of the Hong Kong Special Administrative Region (HKSAR) establishment in 2007 –</p> <p>To launch a revitalised “Brand Hong Kong” publicity campaign to showcase Hong Kong's vibrancy 10 years after the unification with the Mainland, including promotion of success stories of Hong Kong home-grown brands, enterprises, and people;</p>	<p>2007</p> <p>2007</p>		<p>Hong Kong Design Centre</p> <p>Celebration Preparatory Office, Commerce and Industry Branch of the Commerce, Industry and Technology Bureau, Hong Kong Trade Development</p>	

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	<p>T1-4 To launch a “Right English” campaign to improve signage in public places;</p>	2007		<p>Council, Hong Kong Tourism Board, Invest Hong Kong; Information Services Department, Hong Kong Economic and Trade Offices (Overseas) and Hong Kong Economic and Trade Offices (Mainland), and trade and industry organizations</p> <p>Civil Service Bureau (Official Language Division)</p>	

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	<p>T1-5 To set up display billboards in tourist areas and the kerbsides of the North Lantau Highway and Airport Express to promote Hong Kong;</p> <p>T1-6 To co-ordinate the messages of various government and quasi-government agencies to the local and overseas audience.</p>	<p>2007</p> <p>2007</p>		<p>Highways Department, and Lands Department</p> <p>Commerce and Industry Branch of the Commerce, Industry and Technology Bureau, Hong Kong Trade Development Council, Hong Kong Tourism Board, Invest Hong Kong, Information Services Department, Hong Kong Economic and Trade Offices (Overseas), and Hong Kong Economic and</p>	

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				Trade Offices (Mainland)	
	<p><u>Longer-term actions</u></p> <p>T1-7 Undertaking pilot public works projects in which design will be accorded higher priority, relative to other considerations such as engineering and costs, in the tendering process.</p> <p>T1-8 Turning the education system to become more all-rounded to encourage more creativity and innovation and not only academic achievements.</p>	<p>2007 and onwards</p> <p>2007 and onwards</p>		<p>Environment, Transport and Works Bureau, Architectural Services Department, Lands Department, and Highways Department</p> <p>Education and Manpower Bureau</p>	

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	<p>T1-9 Continuing and deepening existing government efforts in encouraging the use of design, nurturing youth and design talents, etc.</p>	2007 and onwards	Commerce, Industry and Technology Bureau, and Information Services Department	Trade and Industry Department, Innovation and Technology Commission, Education and Manpower Bureau, Efficiency Unit, other relevant departments, and Hong Kong Design Centre	
<p>T2. To establish a consultative arrangement for Closer Economic Partnership Arrangement (CEPA)</p>	<p>T2-10 To consider the establishment of a consultative arrangement with major business associations to provide a platform for exchanges on trade and investment facilitation measures and problems encountered relating to CEPA implementation, and for gathering views which the trade may have on further services liberalisation.</p>	2007	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Industrial and trade organizations	

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T3. To conduct research on CEPA benefits	T3-11 To conduct researches on the economic benefits of CEPA to Hong Kong and to liaise with relevant Mainland authorities to obtain information on the economic benefits of CEPA to the Mainland for analysing and demonstrating the mutual beneficial effects of CEPA and hence facilitating CEPA promotional work.	2007	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Industrial and trade organizations	
T4. To enhance understanding of developments in the Mainland	T4-12 To enhance understanding of the Mainland's trade and investment liberalisation arising from multilateral trade negotiations and new trends in world trade through closer monitoring and studies, and explore ways to safeguard Hong Kong's trade interests in the light of these developments.	2007	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Industrial and trade organizations	

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T5. To assist Hong Kong-owned factories in Guangdong to tap the Mainland consumer market	T5-13 To conduct more market researches focusing on niches where HK-owned factories possess an edge	2007	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Hong Kong Trade Development Council, and Hong Kong Economic and Trade Offices (Mainland)	
	T5-14 To disseminate information to Hong Kong-owned factories wishing to make the transition from export to domestic sales	2007	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Hong Kong Economic and Trade Offices (Mainland), and Hong Kong Trade Development Council	

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T6. To assist Hong Kong-owned factories in Guangdong to comply with Mainland rules and regulations	T6-15 To enhance Hong Kong-owned factories' understanding of rules and regulations and help clear uncertainties on law enforcement and compliance	2007	Trade and Industry Department	Hong Kong Economic and Trade Offices (Mainland)	
	T6-16 To develop a platform to facilitate exchanges of views and dialogue among HK-owned factories/Mainland authorities/HKSARG before implementation of major changes in rules and regulations	2007	Commerce, Industry and Technology Bureau, Trade and Industry Department, and Constitutional Affairs Bureau	Hong Kong Economic and Trade Offices (Mainland)	

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T7. To improve infrastructure	T7-17 To expedite completion of cross-boundary infrastructural projects	2007 and onwards	Environment, Transport and Works Bureau		Already taken up by the Focus Group on Maritime, Logistics and Infrastructure
	T7-18 To overcome “last mile” obstacles in customs clearance (e.g. by applying technology like Electronic Data Interchange, Radio Frequency Identification)	2007 and onwards	Commerce, Industry and Technology Bureau	Customs and Excise Department, and Innovation and Technology Commission	
T8. To strengthen intellectual property protection	T8-19 To enhance co-operation in cross-boundary intellectual property protection	2007 and onwards	Intellectual Property Department, and Constitutional Affairs Bureau		
	T8-20 To strengthen HK’s intellectual property regime	2007 and onwards	Intellectual Property Department		

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T9. To assist Hong Kong-owned factories in Guangdong to meet environmental requirements	T9-21 To provide technical and other support to factories to meet environmental standards	2007	Commerce, Industry and Technology Bureau, and Innovation and Technology Commission	Hong Kong Productivity Council, and Industrial and trade organizations	
	T9-22 To explore possible co-ordination among factories in installation of common pollution abating facilities	2007 and onwards	Commerce, Industry and Technology Bureau, and Trade and Industry Department	Industrial and trade organizations, and Hong Kong Productivity Council	

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<p>T10. To establish a high-level mechanism to tackle air pollution</p>	<p>T10-23 To adopt a comprehensive policy and enforceable measures to reduce air pollution. Specific measures include:</p> <p>To develop a master plan with short-term deliverables that are quick to implement, some of which are enforced by legislation and others on a voluntary basis. The Plan should encompass long term objectives not only on air quality, but also issues relating to urban design, transport policy, land use policy and energy policy. This comprehensive policy should be effectively communicated to the general public and fully supported by legislations.</p>	2007 and onwards	Environment, Transport and Works Bureau, and Environmental Protection Department		

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	<p>T10-24 A high-level mechanism with the necessary powers to deliver results should be established by the Government to devise and steer the implementation of the comprehensive policy.</p> <p>T10-25 To launch a consensus-building campaign in both the business community and the community at large for the issues involved, including possible increases in tariffs and transport fares etc, to be properly recognised. In this regard, emphasis should be placed on the need for shared responsibilities.</p>	<p>2007 and onwards</p> <p>2007 and onwards</p>	<p>Environment, Transport and Works Bureau, and Environmental Protection Department</p> <p>Environment, Transport and Works Bureau, and Environmental Protection Department</p>		

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	<p>T10-26 To introduce as soon as possible measures to reduce Hong Kong's home grown pollution particularly from motor vehicles and power generation.</p> <p>T10-27 To maintain and strengthen the cross-boundary cooperation efforts encouraging the provincial and municipal governments both to enact and enforce appropriate legislation.</p> <p>T10-28 Efforts should also continue through initiatives to persuade the Hong Kong owned factories in Guangdong Province to adapt to the latest environmental rules and regulations.</p>	<p>2007 and onwards</p> <p>2007 and onwards</p> <p>2007 and onwards</p>	<p>Environment, Transport and Works Bureau, and Environmental Protection Department</p> <p>Environment, Transport and Works Bureau, and Environmental Protection Department</p> <p>Environment, Transport and Works Bureau, and Environmental Protection Department</p>	<p>Relevant trade associations</p>	

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T11. To explore ways to further promote the various admission schemes administered by Immigration Department	T11-29 To launch an international promotion campaign to publicize our open and flexible regime for admitting different types of talents, professionals and investors to Hong Kong.	2007-08	Security Bureau, and Immigration Department	Immigration Department, Invest Hong Kong, and Hong Kong Economic and Trade Offices	Other relevant parties such as Hong Kong Trade Development Council and chambers of commerce will be invited to participate or help in the promotion activities.
	T11-30 To repackage the various admission schemes so that the focus will be on the people (talents and professionals) rather than the schemes which can be confusing to the target audience.	2007 onwards	Security Bureau, and Immigration Department	Immigration Department	
	T11-31 To organize a forum for enterprises/employers and Immigration Department to identify room for improvement in the application procedures of employment visas.	2007-08	Security Bureau, and Immigration Department	Immigration Department, and Trade and Industry Department	

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
T12. To establish platforms for industry-academia - government collaboration to prepare local talents for the key industries	T12-32 To encourage different forms of collaboration in attracting and nurturing talents to meet the manpower needs of key industries. Bureaux concerned to consider setting up manpower development advisory committees to enhance industry-academia-government collaboration. This should start with five services industries including “financial services”, “logistics”, “tourism”, “information services”, and “creative industries and IT”. Such model may be extended to other sectors at a later stage.	2007-08	Bureaux overseeing the relevant industries	Bureaux and departments overseeing the relevant industries	This proposal is modeled on the Advisory Committee on Human Resources Development in the Financial Services Sector (the FinMan Committee) set up by the Financial Services and Treasury Bureau. It is also a suggestion made by the Focus Group on Financial Services.
	The concerned manpower development advisory committees to gather and analyse statistics on manpower needs in the	2007 onwards	Bureaux overseeing the relevant industries	Bureaux and departments overseeing the relevant industries on the advice of	

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	above-mentioned sectors.			their corresponding manpower development advisory committees	
T13. To explore ways to attract more non-local students to study in Hong Kong, and to develop Hong Kong into a regional education hub	T13-33 To invite the high-level Steering Committee chaired by the Chief Secretary for Administration to examine proposals on: <ul style="list-style-type: none"> - increasing the overall quota for non-local students from 10% to 20%; - relaxing the restrictions on part-time work for non-local students; - providing adequate boarding facilities for non-local students; - encouraging a two-way flow of exchange students by enhancing the provision of 	2007-08	Steering Committee on Developing Hong Kong as a Regional Education Hub	Education and Manpower Bureau	

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	<p>on-campus boarding facilities for such purpose; and</p> <ul style="list-style-type: none"> - encouraging the development of self-financing but non-profit-making private universities (including the development of degree and above programmes by the self-financing arms of UGC-funded institutions) by granting land at nominal premium. 				

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<p>T14. To elevate the overall education standard, in particular, emphasis should be given to improving students' language proficiency (suggestion by the Focus Group on Professional Services)</p>	<p>T14-34 To continue to implement the "Action Plan to raise Language Standards in Hong Kong" endorsed by the Executive Council in 2003 and monitor progress. Specific measures to raise the language standards of students include specifying a clear and realistic set of expected language competencies, and creating a more motivating language learning environment.</p>	<p>Recommendations in the Action Plan are being gradually implemented since 2003. Most of them are already in place and on-going. Implementation of the remaining recommendations will take place in 2007.</p>	<p>Education and Manpower Bureau and the Standing Committee on Language Education and Research (SCOLAR)</p>	<p>Educational institutions and relevant organizations (such as the Hong Kong Examination and Assessment Authority, Curriculum Development Council etc.)</p>	<p>SCOLAR is established by the Government to advise on the overall policy on language education, including the medium of instruction.</p>

Action Agenda Proposed by the Focus Group on Financial Services

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<u>Macro, strategic approach</u>					
F1. Institutional perspective: Develop a cooperative, complementary and interactive working relationship between the two financial systems in Hong Kong and the Mainland	F1-1 At the political level, the HKSARG should intensify efforts to impress upon CPG to maximise and take advantage of the utility of the financial system of the HKSAR to China.	Immediate term	Financial Secretary's Office	FSTB HKMA HKEx SFC	

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	<p>F1-2 At the policy-making level, the relevant financial authorities of the HKSARG should proactively engage in discussions with their counterparts on the Mainland on policy formulation and the design of strategies, and that structured channels should be established whereby the HKSARG could participate and the CPG could consider the views of HKSARG regularly in national financial policy formulation.</p>	<p>Immediate term</p>	<p>Financial Secretary's Office</p>	<p>FSTB HKMA HKEx SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F1-3 At the working level, the relevant financial authorities of the HKSARG and the market practitioners in the HKSAR should develop operational details (management methods) of specific policy initiatives.	Immediate term	HKMA	FSTB HKEx SFC	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<p>F2. Practical perspective: Promote greater use of the financial system of HKSAR in meeting the financial challenges on the Mainland</p>					
<p>2.1 Expand the presence of HKSAR financial intermediaries on the Mainland to provide financial services on location</p>	<p>F2-4 Increase the allowable maximum level of shareholding by Hong Kong financial intermediaries in Mainland financial intermediaries beyond the current arrangements.</p> <p>F2-5 Increase the involvement of Hong Kong shareholding representatives in the management of the Mainland financial intermediaries.</p>	<p>Immediate to Medium term</p> <p>Immediate to Medium term</p>	<p>HKMA</p> <p>HKMA</p>		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F2-6 Allow Hong Kong banks to conduct the full range of business and on same conditions as Mainland domestic banks. F2-7 Allow Hong Kong securities companies, fund management companies and insurance companies to set up wholly-owned subsidiaries or branches on the Mainland.	Immediate to Medium term Immediate to Medium term	HKMA FSTB HKMA OCI	 SFC	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F2-8 Allow Hong Kong securities companies and fund management companies to conduct the full range of business and on same conditions as their Mainland domestic counterparts.</p> <p>F2-9 Allow Hong Kong insurers and pension providers to have a wider scope of business and penetration in geographical markets.</p>	<p>Immediate to Medium term</p> <p>Immediate to Medium term</p>	<p>FSTB HKMA</p> <p>FSTB HKMA OCI</p>	<p>SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<p>2.2 Increase the outward mobility of Mainland investors, fund raisers and financial intermediaries</p>	<p>F2-10 Expand the permissible investment universe for offshore wealth management services by banks on the Mainland.</p>	<p>Immediate to Medium term</p>	<p>HKMA</p>	<p>SFC</p>	
	<p>F2-11 Allow Mainland individuals and institutions to remit “self-owned” foreign currency funds out of the Mainland and make investments overseas on their own through Hong Kong without having to go through QDII or bank wealth management scheme.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>SFC</p>	
	<p>F2-12 Further relax gradually the existing restrictions on Mainland enterprises raising funds through listings in Hong Kong</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKEx SFC</p>	

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F2-13 Further relax gradually the existing restrictions on Mainland enterprises raising funds through bank borrowing or bond issuance in Hong Kong, including for instance, by allowing bank borrowing or bond issuance in renminbi.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>SFC</p>	
	<p>F2-14 Introduce a mechanism for Mainland's small and medium-sized enterprises to obtain venture capital and financing in Hong Kong, and facilitate their bond issuance using innovative financial arrangements organised in Hong Kong.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKE SFC</p>	

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F2-15 Allow Mainland entities to establish captive insurance companies in Hong Kong, tapping into the expertise of the insurance industry in Hong Kong.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA OCI</p>	<p>HKEx SFC</p>	
	<p>F2-16 Allow Mainland financial institutions to have bigger presence here, using Hong Kong as a springboard to develop their international business in relation to banking, securities, asset management, insurance and other activities.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA OCI</p>	<p>SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<p>2.3 Allow financial instruments issued in the HKSAR, particularly those issued by Mainland fund raisers, to be marketed on the Mainland</p>	<p>F2-17 Introduce “depository certificates” of financial instruments issued in the HKSAR for trading on stock exchanges, inter-bank market or over the counter on the Mainland. This requires also the introduction of an arbitrage mechanism, with approvals for conducting the necessary foreign exchange transactions, to facilitate price equalisation between the depository certificates and their underlying financial instruments.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKEx SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F2-18 Allow trading of investment funds authorized by the Hong Kong Securities and Futures Commission on the stock exchanges, inter-bank market and over the counter on the Mainland.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKEx SFC</p>	
<p>2.4 Enhance the capability of the financial system of the HKSAR in handling financial transactions denominated in renminbi</p>	<p>F2-19 Direct import trade from the Mainland to be settled in renminbi first, and for indirect imports from the Mainland and exports from Hong Kong to be settled in renminbi later on.</p> <p>F2-20 Mainland financial institutions to issue renminbi financial bonds in Hong Kong, with the scope of eligible issuers extended later on to Mainland corporates and Hong Kong entities.</p>	<p>Immediate to Medium term</p> <p>Immediate to Medium term</p>	<p>HKMA</p> <p>HKMA</p>		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F2-21 “Free walk” of renminbi back onto the Mainland, i.e. to allow Hong Kong companies and residents to make renminbi remittances freely to any accounts on the Mainland, starting with their own settlement account.	Immediate to Medium term	HKMA		
	F2-22 Hong Kong banks to lend renminbi funds to their group entities (subsidiaries or branches) on the Mainland.	Immediate to Medium term	HKMA		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F2-23 Establishment of a renminbi “repo” and inter-bank market in Hong Kong.	Immediate to Medium term	HKMA		
	F2-24 Non-residents to open renminbi deposit accounts in Hong Kong.	Immediate to Medium term	HKMA		
	F2-25 Hong Kong banks to provide and collect renminbi notes to and from their overseas branches.	Immediate to Medium term	HKMA		

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2.5 Strengthen financial infrastructural linkages between the Mainland and the HKSAR	F2-26 Link up of the renminbi and foreign currency clearing and settlement systems in Hong Kong and the Mainland.	Immediate to Medium term	HKMA		
	F2-27 Link up of Hong Kong's CMU with the debt instrument settlement system provided by China Government Securities Depository Trust & Clearing Co., Ltd..	Immediate to Medium term	HKMA		
	F2-28 Link up of Hong Kong's CCASS with Mainland's equity settlement systems.	Immediate to Medium term	FSTB HKMA	HKEx SFC	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F2-29 Establish a platform for cross-trading of securities listed on the stock exchanges of Hong Kong and the Mainland.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKE_x SFC</p>	
	<p>F2-30 Establish strategic linkages between the stock exchanges of Hong Kong and the Mainland to facilitate mobility of investment products and investors.</p>	<p>Immediate to Medium term</p>	<p>FSTB</p>	<p>HKE_x SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
F3. Strategic perspective: Promote Hong Kong as China's international financial centre of global significance.	F3-31 Encourage Mainland entities to make better use of Hong Kong's markets and financial intermediaries for conducting their international asset management activities.	Immediate to Medium term	FSTB HKMA	SFC	
	F3-32 Encourage the channeling of the portfolio flows from the Mainland to HKSAR as a trial for further liberalisation of portfolio outflows.	Immediate to Medium term	FSTB HKMA	SFC	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F3-33 Encourage Mainland financial institutions to establish treasury centres in Hong Kong and increase the use of Hong Kong's markets and financial intermediaries for conducting their international treasury activities.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F3-34 Concentrate overseas listings of Mainland entities in Hong Kong to ensure a continuous supply of shares issued by Mainland entities.</p> <p>F3-35 Mainland stock and futures exchanges to take HKEx as preferred partner for cooperation over exchanges elsewhere to pave way for integration of the two markets in substance.</p>	<p>Immediate to Medium term</p> <p>Immediate to Medium term</p>	<p>FSTB HKMA</p> <p>FSTB HKMA</p>	<p>HKEx SFC</p> <p>HKEx SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F3-36 Mainland entities to use Hong Kong as the prime location for global bond issuances and the subsequent depository and listing of such bonds. State-owned entities as a matter of policy should use Hong Kong as the prime location for bond issuances, and the use of CMU and the HKEx for depository and listings.</p>	<p>Immediate to Medium term</p>	<p>FSTB HKMA</p>	<p>HKEx SFC</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F3-37 Encourage Mainland entities to use Hong Kong as the prime location for international banking services, such as the arrangements of international syndicated loans. Mainland entities should also be encouraged to make use of the USD and Euro Real Time Gross Settlement Systems in Hong Kong to remove the settlement risk of their foreign exchange transactions.</p>	<p>Immediate to Medium term</p>	<p>HKMA</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F3-38 HKSAR institutions to work with Mainland entities in partnership to develop commodity and financial futures markets in Hong Kong and the Mainland, through means including strategic linkages.</p> <p>F3-39 Encourage or provide policy incentives for Mainland entities and individuals to trade financial derivatives in Hong Kong.</p>	<p>Immediate to Medium term</p> <p>Immediate to Medium term</p>	<p>FSTB HKMA</p> <p>FSTB HKMA</p>	<p>HKEx SFC</p> <p>HKEx SFC</p>	

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F3-40 Encourage or provide policy incentives for Mainland entities and individuals to trade commodities futures in Hong Kong for commodities that Mainland is a global player.	Immediate to Medium term	FSTB HKMA	HKEx SFC	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<u>Micro, market-specific approach</u>					
F4. Facilitate further development of the local securities market	F4-41 Strengthen liaison and cooperation with the Mainland authorities and financial institutions, including - (a) strengthen high-level liaison at the Government level and enhance communication among Mainland and Hong Kong stock exchanges to facilitate further development of the securities market in Hong Kong	On-going	FSTB HKMA	SFC HKEx	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

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	(b) engage the support of the Mainland Government in the development of RMB futures and options market in Hong Kong.	Medium term ¹	FSTB HKMA	SFC HKEx	
	(c) engage the support of the Mainland Government in the development of commodities futures market in Hong Kong, and address the cross-boundary clearing and settlement issues.	Medium term ¹	FSTB HKMA	SFC, HKEx or other potential market operators	
	(d) enhance cooperation with the Mainland for the further development of the insurance, reinsurance and asset management industries.	On-going	FSTB OCI		

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Expanding Pre-approved Jurisdictions for Listing</u> F4-42 Amend listing rules to facilitate expanding pre-approved jurisdictions for listing in Hong Kong</p> <p><u>Facilitating Mainland Investors</u> F4-43 Facilitate Mainland enterprises and investors to participate in our securities market through the QDII scheme</p> <p>F4-44 Facilitate Mainland individuals and institutions to remit self-owned foreign exchange to make investments outside the Mainland through a proposed “free-walk” scheme</p>	<p>Immediate term 1st half 2007</p> <p>Medium term¹</p> <p>Medium term¹</p>	<p></p> <p>FSTB HKMA</p> <p>FSTB HKMA</p>	<p>SFC HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<u>Encouraging Financial Intermediation</u>				
	F4-45 Implement new trading right regime	Immediate term 1 st half 2007		HKEx	
	F4-46 Implement third party clearing, and explore options to allow foreign brokers to trade on HKEx	Medium term 2008		SFC HKEx	
	<u>Lowering Transaction Costs</u>				
	F.4-47 Consider stamp duty reduction	Subject to HKSARG consideration	FSTB		
	F4-48 Regularly review SFC and HKEx fees to ensure they are and remain reasonable and competitive	On-going		SFC HKEx	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Reforming Position Limit Regime</u></p> <p>F4-49 Implement adjustments to position limits for futures and options on –</p> <p>(a) Hang Seng China Enterprises Index and</p> <p>(b) Hang Seng Index</p> <p>F4-50 Review the legislation and rules regarding the position limit regime</p> <p><u>Relieving Uptick Rule for Short Selling</u></p> <p>F4-51 Amend trading rules to relieve uptick rule in non-crisis situation</p>	<p>Immediate term 2007</p> <p>Medium term 2008</p> <p>Immediate term 1st half 2007</p>		<p>SFC</p> <p>SFC HKEx</p> <p>SFC HKEx</p>	
	<p><u>Review of Regulatory Regime</u></p> <p>F4-52 Undertake regular review of market impact of the Securities and Futures Ordinance and other relevant legislation</p>	<p>On-going</p>	<p>FSTB</p>	<p>SFC HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Implementing Statutory Backing of Major Listing Requirements and Improving Dual Filing Regime</u></p> <p>F4-53 Implement statutory backing of major listing requirements including establishing a time-table for the implementation</p> <p>F4-54 Review dual filing regime</p> <p><u>Encouraging Financial Innovation</u></p> <p>F4-55 Consider expanding product range:</p> <p>(a) Encourage launch of appropriate derivative products, eg Mainland- or Renminbi-related products</p> <p>(b) Promote Callable Bull/Bear Contracts and progressively expand their eligible stocks</p>	<p>Medium term²</p> <p>Medium term 2007/08</p> <p>On-going</p>	<p>FSTB</p>	<p>SFC HKEx</p> <p>SFC HKEx</p> <p>SFC HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>(c) Consider launch of Exchange Traded Commodities</p> <p>F4-56 Review the general regulatory framework for new products</p> <p><u>Enhancing Debt Securities Market</u></p> <p>F4-57 Enhance Exchange Fund Bills and Notes programme</p> <p>F4-58 Enhance debt listing regime</p> <p><u>Enhancing Stock Segregated Account and Investor Participant Account Service</u></p> <p>F4-59 Implement Phase 1 and Phase 2 enhancements to Stock Segregated Accounts</p>	<p>Immediate term 2007</p> <p>Immediate term 2007</p> <p>Immediate term 2007</p> <p>Immediate term 1st half 2007</p>	<p></p> <p>HKMA</p>	<p>SFC HKEx</p> <p>HKEx SFC</p> <p>HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Encouraging Electronic Filing and Dissemination</u> F4-60 Encourage or mandate use of electronic submissions and disseminations, and continue monitoring global developments of eXtensible Business Reporting Language and assessing Hong Kong's position</p> <p><u>Improving Shareholding Transparency</u> F4-61 Consider formulation of a workable model to improve shareholding transparency</p>	<p>On-going</p> <p>Medium term 2008</p>		<p>SFC HKEx</p> <p>SFC HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<p>F5. Study the further development of Hong Kong's foreign exchange and commodities futures trading</p>	<p><u>Developing RMB Futures and Options Market</u> F5-62 Develop an RMB futures and options market, beginning with non-deliverable and moving towards deliverable when conditions warrant. Pairs to consider include: RMB/USD, RMB/HKD, RMB/EURO, RMB/JPY, RMB/NZD, RMB/AUD, etc.</p>	<p>Immediate to Medium term 2007/08</p>		<p>HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Drawing Mainland Demand and Seeking the Active Participation of Mainland Investors</u></p> <p>F5-63 Make necessary efforts to facilitate and attract Mainland enterprises and investors to participate in our RMB derivatives and commodities futures market once it is established.</p> <p>F5-64 Leverage on the CEPA and QDII platforms to promote the proposed RMB derivatives and commodities futures and options, and to seek to add these to the eligible investment vehicles list.</p>	<p>Immediate to Medium term</p> <p>Medium term¹</p>	<p>FSTB HKMA</p> <p>FSTB HKMA</p>	<p>SFC HKEx</p> <p>SFC, HKEx or other potential market operators</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Setting the Benchmark RMB Exchange Rate Expectations</u> F5-65 A market in Hong Kong participated by both Mainland and international players will help set the best benchmark for RMB exchange rate expectations. The key is to bring in Mainland players.</p> <p><u>Setting Up Regulatory and Infrastructure Framework</u> F5-66 Upgrade the current trading and clearing systems of HKEx to handle foreign exchange futures and options trading. Rules and procedures for trading these products as well as regulatory issues would also need to be resolved.</p>	<p>Medium term</p> <p>Immediate to Medium term 2007/08</p>	<p>FSTB HKMA</p>	<p>SFC HKEx</p> <p>SFC HKEx</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Developing Exchange Traded Commodities Futures and Options</u> F5-67 Commission an independent consultancy study to look into the detailed conditions and requirements and make concrete proposals. The study should explore the following aspects:-</p> <p>(a) Products to get the development off the ground, e.g. gold and energy products;</p>	<p>Immediate to Medium term³</p>		<p>SFC, HKEx, other potential market operators</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>(b) alternative commodities linked products such as Exchange Traded Commodities, Exchange Traded Funds, commodity-based derivative warrants, and other forms of commodities linked products; and</p> <p>(c) deliverable contracts.</p>				

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Enhancing China's Pricing Power in International Commodities Market</u> F5-68 Hong Kong's open and internationalized market can help bring Mainland and international players together and set benchmark prices and enhance China's pricing power in the process.</p>	Medium term ¹	FSTB HKMA	SFC, HKEx, other potential market operators	

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2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Setting Up Regulatory and Infrastructure Framework for Commodities Futures</u></p> <p>F5-69 Upgrade the current trading and clearing systems to handle commodities futures and options trading. Rules and procedures for trading commodities products as well as regulatory issues would also need to be resolved.</p> <p>F5-70 Gradually build up the necessary expertise, talent, experience, network, liquidity, infrastructures for physical settlement, transportation, tracking, quality control and warehouse management, etc.</p>	<p>Medium term³</p> <p>Medium term³</p>		<p>SFC, HKEx or other potential market operators</p> <p>HKEx or other potential market operators</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
<p>F6. Study the further development of the insurance and reinsurance industries in Hong Kong and the Mainland as well as ways to further enhance Hong Kong as an international asset management centre.</p>	<p><u>Developing Captive Insurance</u> F6-71 Carry out detailed analysis on possible measures to enhance the development of Hong Kong into a regional captive insurance centre, targeting at those Mainland enterprises listed on overseas stock markets at the initial stage.</p>	<p>Immediate term 2nd half 2007 and on-going</p>	<p>FSTB OCI</p>		

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Furthering Asset Management Services</u></p> <p>F6-72 Promote Hong Kong to become an offshore RMB centre by encouraging RMB trade-related settlements and setting up RMB bond market in Hong Kong.</p> <p>F6-73 Facilitate foreign currency as well as RMB insurance assets to be invested overseas by attracting Mainland licensed insurance companies to set up asset management companies / affiliates in Hong Kong.</p>	<p>Medium term¹</p> <p>Medium term¹</p>	<p>FSTB HKMA</p> <p>FSTB</p>		

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2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>F6-74 Facilitate HK\$ /US\$ -denominated investments as admitted assets for insurance investments in the Mainland.</p> <p>F6-75 Facilitate Mainland enterprises and investors to participate in Hong Kong authorised funds through the QDII initiatives.</p>	<p>Medium term¹</p> <p>Medium term¹</p>	<p>OCI</p> <p>FSTB</p>		
	<p><u>Facilitating Development of Mainland Insurance Market</u></p> <p>F6-76 Hong Kong insurers to assist in the development of micro insurance in rural area of the Mainland.</p> <p>F6-77 Foreign life insurers to participate in foreign currency denominated life insurance business in the Mainland.</p>	<p>Medium term¹</p> <p>Medium term¹</p>	<p>OCI</p> <p>OCI</p>		

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	F6-78 Hong Kong insurers to introduce specialised commercial liability insurance products to the Mainland market.	Medium term ¹	OCI		
	F6-79 Hong Kong insurers to set up specialised health insurance companies in the Mainland (including commissioning of hospitals/managed care and health maintenance organisations by Hong Kong companies), while Hong Kong pension providers may also participate in the offering of corporate annuity business in the Mainland.	Medium term ¹	OCI		

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p><u>Enhancing Infrastructure</u> F6-80 Set up examination centres for the Mainland agency qualification examinations in Hong Kong and provide a wider range of training courses as well as job attachments for Mainland professionals.</p>	<p>Immediate term 2nd half 2007 and on-going</p>	<p>OCI</p>	<p>Market</p>	

1. Subject to Mainland policy.
2. Subject to progress of legislative exercise.
3. Subject to outcome of consultancy study.

Action Agenda Proposed by the Focus Group on Maritime, Logistics and Infrastructure

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
MARITIME AND LOGISTICS					
M1. To enhance the cost-effectiveness of cross-boundary freight transport					
1.1 To review the current arrangement with cross-boundary land freight transport mainly undertaken by Hong Kong drivers	M1-1 To examine the practical contribution of Green Lane and Mainland drivers in reducing the cross-boundary freight transport cost, including the expected magnitude of reduction in freight transport cost, expected impact on Hong Kong's port throughput and relocation of logistics activities. Taking into account the development trend of the overall cross-boundary freight transport sector, to assess the impact of these measures on Hong Kong's cross-boundary truck drivers, and to examine whether it is possible to lower the cross-boundary freight	Immediate term: to launch the study in 2007	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	transport cost while at the same time also to safeguard the livelihood of local truck drivers.				
1.2 To help reduce the cross-boundary truck licence fee charged by the Guangdong authorities	<p>M1-2 After consulting the industry and with their support, to raise the following issues with the Guangdong authorities :</p> <p>(a) Lowering the cross-boundary truck licence fee; and</p> <p>(b) Relaxing the threshold of 20 trucks for the Hong Kong-Guangdong cross-boundary freight transport joint-venture enterprises.</p>	Immediate term: to launch the study in 2007	Economic Development and Labour Bureau		
1.3 To strengthen the river transport network connecting the river channels along the Pearl River Delta (PRD), including the western PRD, with a view to providing “seamless connection” between	<p>M1-3 To introduce multiple entry permits for river trade vessels, such that the application procedures will be streamlined and permit fees lowered. This will increase the river trade vessels’ operational efficiency. The licence fees for local vessels</p>	Immediate term: these measures will be implemented in 2007	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
river trade vessels and ocean-going vessels	will also be lowered, which will lower their operating cost.				
	M1-4 To provide more back-up land and barge handling facilities and to find means to provide better/smoothier connection between river trade and ocean going vessels, and to enhance the mid-stream cargo handling capacity by establishing new service anchorages upon the requests of the industry.	A continuing endeavour	Economic Development and Labour Bureau		
1.4 To promote the application of information technology in the logistics industry	M1-5 To work together with the industry to promote the implementation of the Digital Trade and Transport Network System (DTTN) services.	A continuing endeavour	Economic Development and Labour Bureau		
	M1-6 To jointly run a pilot project with the Hong Kong Productivity Council on an On-Board Trucker Information System (OBTIS). The objective is to enhance the operational efficiency of the trucking business through the installation of a display	Immediate term: the study in preparation for launching the OBTIS project has commenced in April 2006, and the pilot will be rolled	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	device with Global Positioning System (GPS) and wireless communication facilities on board the trucks.	out in the first half of 2007			
	M1-7 To collaborate with training institutions to organize training courses on e-logistics applications.	A continuing endeavour	Economic Development and Labour Bureau		
	M1-8 To work with the industry to examine how best to follow up the proposal of central processing of documents currently submitted by the industry to various departments.	Long term: to work with the industry to examine how best to follow up this proposal	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
M2. Planning for the provision of port and related infrastructures from a macro perspective					
2.1 To conduct the port cargo forecasts	M2-9 The port cargo forecasts, commenced at end-2005, will critically examine the projection of cargo growth at the Hong Kong/South China gateway ports (including the rapid growth in Hong Kong's transshipment cargo in recent years). This updating exercise has to take into account the competitiveness of the Hong Kong port, as well as the handling capacity of the neighbouring ports, and, on this basis, works out the optimal timing for port expansion. In order to avoid duplication of resources and unnecessary competition, effective co-ordination with the relevant Guangdong authorities would be critical.	Immediate term: to complete the study in 2007	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
2.2 To study how we can fully utilize Hong Kong's land and coastline to develop logistics-related back-up land	M2-10 To work out the way forward for the proposed Lantau Logistics Park at Siu Ho Wan, with reference to the development of the connecting infrastructure (such as the Hong Kong-Zhuhai-Macao Bridge and Container Terminal 10), freight flow from our hinterland particularly the western part of the PRD, financing arrangement and institutional set-up of the proposed Logistics Park.	Immediate term: to work out the way forward for the proposed Lantau Logistics Park in 2007	Economic Development and Labour Bureau		
	M2-11 To actively identify suitable back-up land for logistics use through enhanced internal coordination.	A continuing endeavour	Economic Development and Labour Bureau		
M3. To strengthen the development of Hong Kong's maritime industry					
3.1 Enhancing the services of Hong Kong Shipping Register	M3-12 Through the Customer Relations Group established by the Marine Department in early 2006, we would enhance the communication	A continuing endeavour	Economic Development and Labour Bureau, and Marine Department		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>between the maritime industry and the Government, and solicit opinions and ideas of the industry to enhance Hong Kong's attractiveness as an international maritime centre and raise the quality of Hong Kong's shipping registration services.</p>				
<p>3.2 Training local talents for relevant fields</p>	<p>M3-13 To encourage the post-secondary educational institutes and other vocational training institutes to devote more resources to maritime courses, and to strengthen the on-the-job training opportunities for seamen. Establish a Maritime Scholarship to attract local and Mainland talents to study maritime-related courses in Hong Kong and work for the Hong Kong maritime industry.</p>	<p>Immediate term: to be implemented in the 1st half of 2007</p>	<p>Economic Development and Labour Bureau</p>		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
3.3 To make reference to overseas practice to introduce Tonnage Tax as an alternative to the profits tax currently imposed on vessels	M3-14 To consider making reference to overseas practice to introduce Tonnage Tax as an alternative to the profits tax currently imposed on vessels.	To further assess the feasibility and implications of the proposal for the policy intent to attract ship owners to register in Hong Kong and the current tax system.	Economic Development and Labour Bureau, Financial Services and the Treasury Bureau, and Inland Revenue Department		
M4. To strengthen Hong Kong's position as an international and regional aviation hub					
4.1 Hong Kong International Airport (HKIA) to continue to expand its cargo and passenger handling capacities, e.g. construction of an additional cargo terminal and examination of the need for an additional runway	M4-15 The Airport Authority to work as quickly as possible to introduce an additional cargo terminal.	Immediate term: To work as quickly as possible	Economic Development and Labour Bureau	Airport Authority	
	M4-16 The Airport Authority to conduct a study on the various factors affecting the capacity of the HKIA and	Immediate term: To launch the study in 1 st half of 2007	Economic Development and Labour Bureau	Airport Authority	

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	consult relevant departments and the aviation industry, in order to assess the need for a third runway and draw up a strategy for further expansion of the Airport's capacity as soon as possible.				
4.2 The aviation authorities of Hong Kong, the Mainland and Macao should, through discussion and coordination, seek to rationalize and optimize airspace design in the region and open up more air routes to and from the Mainland	M4-17 To work closely with the General Administration of Civil Aviation of China (CAAC) and the Macao Civil Aviation Authority (CAAM), as a matter of urgency, to map out long-term solutions, including optimization of regional airspace design; standardization of interface and protocols of air traffic control systems; and striving for the establishment of additional air routes between PRD and the northern and eastern parts of the Mainland.	A continuing endeavour (relevant work commenced in 2004)	Economic Development and Labour Bureau, and Civil Aviation Department		
4.3 To enhance the air traffic management capability of Hong Kong with a	M4-18 To replace the air traffic control system, recruit more air traffic controllers,	A continuing endeavor (relevant	Economic Development and Labour Bureau,		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
view to increasing the runway capacity of the HKIA	streamline flight procedures and apply new air traffic control technology with a view to enhancing the air traffic management capacity and the runway capacity as a matter of urgency.	measures include the early replacement of air traffic control system)	and Civil Aviation Department		
M5. To continue negotiation with major trading partners on avoidance of double taxation agreements relating to shipping and air income	M5-19 To actively negotiate with trading partners that have not yet had avoidance of double taxation agreements with Hong Kong to establish such agreements.	A continuing endeavour	Economic Development and Labour Bureau, and Financial Services and the Treasury Bureau		
M6. To fully explore the competitive edges of Hong Kong's logistics industry, and to improve supply chain operation, so as to compete on the reliability and quality of its high value-added services in addition to being competitive in the total cost	M6-20 To continue to discuss with the industry how we can sharpen our competitive edges, promote the electronic transmission of logistics information, wider use of the Digital Trade and Transportation Network (DTTN) System, the Radio Frequency Identification (RFID) technology, etc. so as to facilitate supply chain service integration.	A continuing endeavour	Economic Development and Labour Bureau		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
TRANSPORT INFRASTRUCTURES					
M7. To study the establishment of a high-level cross-bureaux/ departments co-ordination mechanism	M7-21 To examine feasible options for the establishment of a high-level cross-bureaux/ departments co-ordination mechanism* including its set-up, scope of work, modus operandi and the required research and implementation mechanisms.	Immediate term: To launch the study in the 1 st half of 2007	Housing, Planning and Lands Bureau, and Planning Department		* The proposed mechanism is for formulating a comprehensive development strategy for cross-boundary transport infrastructures and co-ordinating various cross-boundary transport infrastructure projects more effectively.
M8. To develop cross-boundary transportation network by adopting a forward-looking perspective on regional development	M8-22 To study feasible options for improving the existing development mode for cross-boundary transport infrastructure and shortening the	Immediate term: To complete the study in the 1 st half of 2007	Housing, Planning and Lands Bureau, and Planning Department		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	development lead-time for cross-boundary transport infrastructure projects.				
M9. To optimize cross-boundary transportation networks					
9.1 Strengthen the communication and co-operation with the Mainland	M9-23 To continuously strengthen communication and co-operation with the Mainland's national authorities responsible for transport infrastructure as well as the neighbouring regions.	A continuing endeavour	Housing, Planning and Lands Bureau, and Planning Department		
9.2 Promote the development of the aviation sector through transport networks	M9-24 To commence a thematic study with a view to exploring ways to improve the regional transport links of the HKIA so as to increase its passenger sources and provide co-operation opportunities between the HKIA and its neighbouring airports.	Immediate term: To launch the study in 2007	Housing, Planning and Lands Bureau, and Planning Department		

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
9.3 Extend the coverage and upgrade the service level of through train services	M9-25 To examine the need for providing more point-to-point cross-boundary through train services between Hong Kong and major cities in the Mainland.	(Whether to provide more new through train service depends on market demand and is a commercial decision of Kowloon Canton Railways Corporation (KCRC))	Environment, Transport and Works Bureau	KCRC	
9.4 Linkage with the national express rail network via the “dedicated corridor option”	M9-26 To adopt a more forward looking approach in considering the use of the “dedicated corridor option” in linking with the national express rail network to meet strategic development needs.	Immediate term: in the 3 rd quarter of 2007	Environment, Transport and Works Bureau, and Highways Department		
9.5 Explore the opportunities and constraints in the development of freight rail in Hong Kong	M9-27 To study the opportunities and constraints in freight rail development in Hong Kong *.	(Whether more new freight services should be provided depends on market demand	Environment, Transport and Works Bureau	KCRC	* To keep abreast of Mainland’s proposal to substantially increase

Annex 4 (cont'd)

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
		and is a commercial decision of KCRC)			investment to improve the capacity and enhance the competitiveness of railways (including the increase in freight handling capacity and train speed, and the setting up of 18 rail transportation centres)

**Action Agenda Proposed by the
Focus Group on Professional Services, Information & Technology and Tourism**

Sub-group on Professional Services

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P1. Maintaining the strengths of Hong Kong lawyers by improving the standard of the legal services and promoting their competitiveness</p>	<p>P1-1 To enhance legal training, and encourage exchanges with professionals from around the world; and to leverage on the strengths of our legal services sector (i.e. having a wealth of practitioners with the same culture and origin and share the same language with their counterparts in the Mainland).</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>Please see the column “Relevant Organization” for details</p>	<p>The legal services sector (including the Law Society, the Bar Association and academics) should be responsible for implementing the proposal.</p> <p>Department of Justice provides assistance and cooperation.</p>	<p>The interactive cooperation between lawyers in Hong Kong and the Mainland aims at promoting professional standard of the two places rather than discriminating against foreign lawyers.</p> <p>The Hong Kong legal services sector should also be aware of the services provided by foreign law firms and the mode of their operation with a view to enhancing the standard of their business.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P1-2 To elevate the standard of basic legal education and to formulate and promote legal education reforms so as to provide Hong Kong with quality legal professionals.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>Please see the column “Relevant Organization” for details</p>	<p>Law schools, Standing Committee on Legal Education and Training, and the legal services sector should be responsible for implementing the proposal.</p> <p>Department of Justice provides assistance and cooperation.</p>	<p>Attention should also be paid to students’ language proficiency, including both Chinese and English.</p> <p>The standard of continuing education should also be raised.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P2. To improve and enhance the platform for co-operation between the legal services sector of Hong Kong and the Mainland</p>	<p>P2-3 To make good use of the Closer Economic Partnership Arrangement (CEPA) framework and other government-to-government mechanisms to clarify :</p> <p>(a) any existing ambiguities encountered by Hong Kong lawyers in providing services or developing business in the Mainland; and</p> <p>(b) any grey areas under the Arrangement for Reciprocal Enforcement of Arbitral Awards between Hong Kong and the Mainland.</p>	<ul style="list-style-type: none"> - Long-term strategy to be implemented on an on-going basis; and - Within the span of the 11th Five-Year Plan on any ambiguities or grey areas. 	<p>Commerce, Industry and Technology Bureau, and Department of Justice</p> <p>Department of Justice</p>		<p>Under “One Country, Two Systems”, the legal systems of the two places differ, and so do the problems they encounter.</p> <p>The handling of legal matters may involve many different departments in the Mainland. For example, the appearance of lawyers in court in civil actions involves both the court and the Ministry of Justice. As such, some problems may take time to solve.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P2-4 To help the Mainland enrich the legal system by sharing with the Mainland our legislative and judicial experience and our experience in strengthening the rule of law; and to introduce the Hong Kong legal services sector's experience of self-regulation to their Mainland counterparts.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>Department of Justice</p>	<p>The legal services sector should also be responsible for implementing the proposal.</p>	<p>Attention should be paid to the characteristics and effectiveness of the two legal systems.</p>
<p>P3. To reinforce and promote Hong Kong as a regional centre for legal services and the resolution of commercial disputes, in particular, those involving the Mainland and foreign countries</p>	<p>P3-5 To consider bringing amendments to the Arbitration Ordinance in order to render it more user friendly and to encourage parties to resolve their disputes by using arbitration services in Hong Kong</p> <p>P3-6 To promote greater use of mediation services in Hong Kong</p> <p>P3-7 To implement the Reciprocal Enforcement of Judgments Arrangement between the Mainland and</p>	<p>Long-term strategy to be implemented on an on-going basis. Amendment of legislation may be implemented within the span of the 11th Five-Year Plan.</p>	<p>Department of Justice</p>	<p>Hong Kong's arbitration and mediation organizations should also be responsible for implementing P3-5 and P3-6.</p> <p>Legal services sector and academics provide assistance and cooperation for P3-5, P3-6 and P3-7.</p>	<p>Implementation involves consultation, amendment of existing legislation, promotion and publicity.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	the Government of the Hong Kong Special Administrative Region (HKSAR) by introducing legislation to the Legislative Council.				
<p>P4. To explore the feasibility of providing one-stop services to clients with different needs</p>	<p>P4-8 To conduct a study on any follow-up action regarding multi-jurisdictional partnership and multi-disciplinary co-operation.</p>	<p>The legal services sector should strive to complete the study and reach conclusions within the span of the 11th Five-Year Plan.</p>	<p>Please see the column “Relevant Organization” for details</p>	<p>The legal professional bodies and other related sectors (such as the Hong Kong Institute of Certified Public Accountants, etc) should be responsible for implementing the proposal and initiate the discussion.</p> <p>Department of Justice provides assistance and cooperation.</p>	<p>These are controversial issues, and no final conclusion has yet been reached in some of the jurisdictions. The legal services sector has discussed the issues in the past but, given the divergent views, no consensus was reached.</p> <p>The principle of professional self-regulation should be respected in the course of cooperation.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P4-9 To discuss with the relevant Mainland authorities the establishment of “greater China law firms” as a mode of practice so as to allow lawyers qualified to practise in both the Mainland and Hong Kong to hold licences to practice in the two places simultaneously and provide services for their clients in both places.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>Department of Justice</p>	<p>The legal services sector should also be responsible for implementing the proposal.</p>	<p>Under “One Country, Two Systems”, the legal systems of the two places differ.</p> <p>The scope of the proposal (e.g. the mode of practice) needs to be further defined. The practice of lawyers is generally subject to local laws and regulations. The proposal may involve amendment of legislation.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P5. To maintain influence in the international professional arena.</p>	<p>P5-10 To play an active role in the formulation of accounting standards by international and regional accountancy bodies (e.g. International Federation of Accountants, International Accounting Standards Board and Confederation of Asian and Pacific Accountants), so that the formulation of standards can fully take into account the economic and financial markets development of the Mainland and Hong Kong.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>N/A</p>	<p>The Hong Kong Institute of Certified Public Accountants is responsible for implementing the proposal.</p> <p>Other professional accountancy bodies and Hong Kong Exchanges and Clearing Limited provide assistance and cooperation.</p>	<p>The current Hong Kong Financial Reporting Standards, auditing standards and codes of professional conduct are fully aligned with international standards. The Mainland aims to achieve convergence of its financial reporting standards with international standards from 2007. Given our considerable involvement in the international and regional accountancy bodies, Hong Kong can serve as the launchpad for Mainland accountancy bodies to develop a global presence and increase the influence of China's accountancy profession internationally.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P6. To enhance cooperation and exchange between accounting profession in the Mainland and Hong Kong.</p>	<p>P6-11 To conduct discussion with relevant Mainland authorities on early extension of the scope of mutual exemption for qualification examinations under the CEPA framework including:</p> <p>(a) enabling Hong Kong accountants whose professional qualification was not acquired through the The Hong Kong Institute of Certified Public Accountants' Qualification Programme Examinations to benefit from the mutual examination exemption arrangements; and</p> <p>(b) increasing the number of mutual exemption examination papers.</p>	<p>To commence negotiations with the relevant Mainland authorities in the first two years of the 11th Five-Year Plan period. If the option is feasible, the timetable will be finalized together with the relevant Mainland authorities</p>	<p>Financial Services and the Treasury Bureau and Commerce, and Industry and Technology Bureau</p>	<p>The Hong Kong Institute of Certified Public Accountants is also responsible for implementing the proposal.</p>	<p>Hong Kong accountants whose professional qualification was not acquired through the The Hong Kong Institute of Certified Public Accountants Qualification Programme Examinations mostly obtained their professional qualification by sitting examinations administered by 10+ overseas accountancy institutions, it is expected that negotiations with the Mainland on this proposal will take some time.</p> <p>As the Mainland has announced that financial reporting of listed enterprises must comply with the new Chinese Accounting Standards with effect from 1 January 2007, the discussion with the Mainland may first target mutual exemption for the professional examination paper on "financial reporting/accounting".</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P6-12 To actively pursue allowing Hong Kong and Mainland accounting firms to “practise in association” and to take forward this proposal under the CEPA framework.</p>	<p>To commence negotiations with the relevant Mainland authorities in the first two years of the 11th Five-Year Plan period. If the option is feasible, the timetable will be finalized together with the relevant Mainland authorities</p>	<p>Financial Services and the Treasury Bureau and Commerce, and Industry and Technology Bureau</p>		<p>The option of allowing Hong Kong and Mainland accounting firms to “practise in association” may involve legislative amendments to the People's Republic of China's (PRC) Law on Certified Public Accountants. At present, the Mainland does not allow accounting firms in different provinces to do so.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P7. To actively transfer knowledge and provide technical support in the formulation and convergence of our country's financial reporting standards and to provide necessary training, so that its accounting system can be perfected and internationally recognised.</p>	<p>P7-13 To provide advice and assistance to the China Accounting Standards Committee in the standard convergence process; and</p> <p>P7-14 To provide training courses to acquaint and update Mainland's accountants with the knowledge and usage of International Financial Reporting Standards.</p>	<p>Long-term strategy to be implemented on an on-going basis</p> <p>Long-term strategy to be implemented on an on-going basis</p>	<p>N/A</p> <p>N/A</p>	<p>The Hong Kong Institute of Certified Public Accountants is responsible for implementing the proposals. Other professional accountancy bodies provide assistance and cooperation.</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P8. To consolidate and further develop Hong Kong's position as an outstanding professional medical centre in the Region</p>	<p>P8-15 Explore the feasibility of setting up multi-partite medical centres of excellence. The centres would, in the long run, become focal points for medical experts, provide training opportunities for the medical profession and render quality medical services (such as tertiary treatment) to people of Hong Kong and those from the Mainland and other regions.</p>	<p>Should seek to complete the study within the 11th Five-Year Plan period.</p>	<p>Health, Welfare and Food Bureau</p>	<p>The medical sector and other involved sectors</p>	<p>Need to consider whether the medical system, facilities and manpower in Hong Kong have adequate capacity to cope with the demand of people coming from outside Hong Kong for medical treatment. To increase the provision of manpower and facilities as appropriate.</p> <p>Should assess the distribution of patients and avoid causing a massive drain on patients from other local medical institutes, which would adversely affect the healthy development of the medical sector.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P8-16 Introduce more channels for promoting the medical institutes and services in Hong Kong, such as setting up websites; or disseminating relevant information to people from the Mainland and other regions who are interested in visiting Hong Kong for medical services through related organizations, such as the Hong Kong Tourism Board's offices in the Mainland and overseas.</p> <p>P8-17 Consider suitably relaxing the restrictions on advertising in the Professional Code and Conduct for the Guidance of Registered Medical Practitioners and the code for dentists.</p>	<p>Should seek to complete this item within the 11th Five-Year Plan period.</p> <p>Should seek to complete this item within the 11th Five-Year Plan period.</p>	<p>Please see the column "Relevant Organization" for details</p> <p>N/A</p>	<p>The medical sector</p> <p>Health, Welfare and Food Bureau to provide assistance as appropriate</p> <p>Medical Council and Dental Council to consider the proposal.</p>	<p>Dissemination of the relevant information should observe the medical ethics and the related restrictions on advertisement in Hong Kong.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P8-18 Consider the feasibility of issuing entry permits of a longer validity to facilitate Mainland patients to seek medical treatment in Hong Kong.</p>	<p>Should seek to complete the study within the 11th Five-Year Plan period.</p>	<p>Health, Welfare and Food Bureau and Security Bureau</p>		<p>Need to consider whether the medical system, facilities and manpower in Hong Kong have adequate capacity to cope with the demand of people coming from outside Hong Kong for medical treatment. To increase the provision of manpower and facilities as appropriate.</p> <p>Need to carefully consider the cost to society, e.g. how to finance the Mainland patients' cost of living when they are in Hong Kong; whether they would compete for public resources with local residents.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P9. To promote exchanges in medical practice and culture between Hong Kong and the Mainland, enhance each other's professional standard and status, and explore opportunities for further development</p>	<p>Exchanges in medical culture P9-19 Encourage mutual visits between medical professional bodies and their Mainland counterparts to enhance understanding of the Mainland's medical systems, regulations and direction of development, and to facilitate experience-sharing.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>Please see the column "Relevant Organization" for details</p>	<p>Medical professional bodies Health, Welfare and Food Bureau to provide assistance as appropriate.</p>	<p>As there are already ample opportunities for academic exchanges between the medical professions of Hong Kong and the Mainland, consideration should be given to increasing the exchanges on matters concerning medical practices.</p>
	<p>Exchange of experience on professional practices P9-20 Encourage the setting up of medical teams led by senior medical professionals and managers and comprising young personnel to provide medical services in the Mainland, thereby introducing the medical culture and management model of Hong Kong to the Mainland.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>N/A</p>	<p>Medical professional bodies</p>	<p>Need to consider if there are adequate medical professionals and managers to join the medical team.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P9-21 Develop Hong Kong into a medical training centre to provide continuous medical training for both Hong Kong and the Mainland, promote medical exchanges and enhance Hong Kong's international reputation.</p> <p>P9-22 Collaborate with the Mainland in organizing continuous medical training programmes to introduce the medical culture and management models in Hong Kong to the medical system of the Mainland.</p>	<p>Long-term strategy to be implemented on an on-going basis</p> <p>Long-term strategy to be implemented on an on-going basis</p>	<p>Health, Welfare and Food Bureau, and Hospital Authority</p> <p>Health, Welfare and Food Bureau, and Hospital Authority</p>	<p>The medical sector</p> <p>The medical sector</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P9-23 Implement the Memorandum of Understanding between Ministry of Health and Hong Kong Academy of Medicine on a Pilot Programme for Specialists Registration System signed by the Ministry of Health and the Hong Kong Academy of Medicine in April 2006.</p> <p>P9-24 The Hospital Authority will discuss with medical organisations in some provinces and municipalities in the Mainland on cooperation agreements with a view to signing cooperation memoranda and taking forward exchange and training programmes.</p>	<p>Long-term strategy to be implemented on an on-going basis</p> <p>Long-term strategy to be implemented on an on-going basis</p>	<p>N/A</p> <p>Hospital Authority</p>	<p>Hong Kong Academy of Medicine</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P10. To provide a conducive environment to encourage Hong Kong medical practitioners to practise in the Mainland</p>	<p>P10-25 Promote the development of the concept of “Personal Professional Services Governance” in the Mainland, with a view to creating more opportunities for Hong Kong doctors to engage in solo-practice in the Mainland.</p>	<p>Long-term strategy to be implemented on an on-going basis</p>	<p>N/A</p>	<p>Medical professional bodies</p>	<p>Under the existing public medical system of the Mainland, private doctors in Hong Kong may not engage in solo-practice in the Mainland and the setting up of private clinics is subject to the regulations governing external business investment, which require a capital of not less than \$20 million.</p> <p>Doctors who want to do solo-practice in the Mainland should be prepared to handle disputes involving customers and medical incidents.</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P10-26 Under the CEPA framework, eligible Hong Kong doctors may, upon obtaining the qualification for practising in the Mainland, operate clinics in the Mainland. However, the application for operation and the registration of the clinics shall be dealt with in accordance with relevant Mainland rules and regulations. Clarifications should be sought on the details of such rules and regulations.</p>	<p>To clarify the uncertain parts with relevant Mainland authorities during the 11th Five-Year Plan period.</p>	<p>Commerce, Industry and Technology Bureau, and Health, Welfare and Food Bureau</p>	<p>N/A</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P11. To strengthen the support for the development of our construction and related engineering services sector in the Mainland and overseas markets</p>	<p>P11-27 To actively pursue the setting up of measures in helping business partner matching as well as provision of tender and business information on the Mainland and overseas markets.</p> <p>P11-28 To reinforce the initiatives to attract, maintain and nurture professionals for the construction and related engineering services and to strengthen professional training and technological research.</p>	<p>To implement the proposal within the period of the 11th Five-Year Plan.</p> <p>To complete a study on the professional resources of the construction and related engineering services and formulate overall strategy within the period of the 11th Five-Year Plan.</p>	<p>Environment, Transport and Works Bureau</p> <p>Environment, Transport and Works Bureau, and Education and Manpower Bureau</p>	<p>The construction and related engineering services sector and Hong Kong Trade Development Council</p> <p>The construction and related engineering services sector and Universities</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P12. To enhance the cooperation of the construction and related engineering services sectors between Hong Kong and the Mainland.</p>	<p>P12-29 To assist our Mainland's counterparts in "going out" to international markets with our professional management and with international market experience and networking -</p> <p>(a) to organize exchange activities for professionals of the two places to strengthen their connection and enhance the professional standard of both sides.</p> <p>(b) to organize overseas promotional and study visits to enhance the cooperation of professionals of the two places for jointly exploring the Mainland and overseas markets.</p>	<p>To organise different forms of exchange programmes and overseas study visits within the period of the 11th Five-Year Plan.</p>	<p>Environment, Transport and Works Bureau</p>	<p>The construction and related engineering services sector</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P12-30 To strive for the establishment of wholly owned enterprises by Hong Kong's construction and related engineering professional services in the Mainland</p> <p>(a) To continue the consultation with the Mainland authorities concerned under the framework of CEPA, with a view to lowering the market entry requirements and expanding the scope of business in the Mainland;</p> <p>(b) To strive for early implementation of CEPA concessions and simplification of application and assessment procedures;</p>	To reach understanding with the Mainland side on the proposal during the period of the 11 th Five-Year Plan.	<p>Commerce, Industry and Technology Bureau, and Environment, Transport and Works Bureau</p> <p>Commerce, Industry and Technology Bureau, and Environment, Transport and Works Bureau</p>		As the proposal involves Mainland policies and regulations, the feasibility has to be further studied.

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>(c) To strive for the implementation of a pilot scheme in the nine provinces/autonomous region of the Pan-Pearl River Delta (Pan-PRD) region for relaxing the requirement of the proportion of Hong Kong professionals registered in the Mainland when processing construction and engineering design enterprise qualification applications submitted by Hong Kong companies, with a view to speeding up the establishment of their wholly owned operations in the Mainland.</p>		<p>Environment, Transport and Works Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P13. To target the urban construction and development projects in second-tier cities in the Mainland for our “one-stop” integrated services (including planning, site formation, building development, construction and management of transport infrastructural facilities, energy/water supply and waste disposal, etc). These one-stop integrated services also cover the whole project life cycle including financing, feasibility studies, planning consultation, environmental assessment, design, contract management, construction supervision and management, as well as project</p>	<p>P13-31 To conduct a market research on the trends of Mainland economic development and the specific demands of different regions for urban construction and development.</p> <p>P13-32 To conduct a feasibility study on the details, modes of operation and management structures of the diversified modes of services (including “one-stop” services), including matters on “cross-industries” cooperation.</p> <p>P13-33 To work out the detailed proposal on the diversified modes of services for consultation of the relevant Mainland authorities and industries.</p>	<p>Within the period of the 11th Five-Year Plan:</p> <ul style="list-style-type: none"> – To complete the market research and the feasibility study; – To work out the detailed proposal on the diversified modes of services; – To carry out publicity and promotion activities. 	<p>Environment, Transport and Works Bureau</p>	<p>The construction and related engineering services sector and the real estate services sector</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
management.	P13-34 To carry out publicity and promotion activities upon implementation of the proposal.				

Sub-group on Innovation, Technology and Information Services

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<u>Innovation and Technology</u>					
<p>P14. Hong Kong should participate proactively in the process of the development and formulation of product standards in the Mainland. The HKSARG should appeal to the relevant Mainland authorities to allow Hong Kong enterprises and experts to participate in these works. Focus areas include cross-boundary business transaction, multi-media products, DigiHome,</p>	<p>P14-35 SARG should discuss a cooperation plan with the relevant ministries of the Central People's Government (e.g. the Ministry of Information Industry) as soon as possible in order to facilitate the participation of enterprises, Research and Development (R&D) institutions and experts in the development of national standards for technology and products, so that the local industry could better understand the key points of these standards to harness</p>	<p>To discuss and formulate a cooperation plan with the Ministry of Information Industry in early 2007</p>	<p>Commerce, Industry and Technology Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>digital TV, radio frequency identification (RFID), Audio Video coding Standard (AVS) and WLAN Authentication and Privacy Infrastructure (WAPI).</p>	<p>the opportunities of cooperation and business development.</p> <p>P14-36 To make use of Hong Kong's R&D strengths and marketing experience effectively when providing assistance in the process of standards development in the Mainland.</p>	<p>Ongoing</p>	<p>Commerce, Industry and Technology Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>P15. Hong Kong should establish closer cooperation with Shenzhen and work out specific measures for setting up the “Shenzhen-Hong Kong Innovation Circle”. With a view to serving as a regional one-stop platform for innovation and technology services, both sides should enhance exchanges in expertise, information and resources and promote collaboration between the R&D institutions. The</p>	<p>P15-37 SARG should sign a cooperation agreement with Shenzhen on strengthening technology cooperation in various aspects, including establishing a mechanism for regular communication, fostering exchange in expertise and information, jointly supporting R&D projects, effectively utilising the existing technology platforms, providing convenient immigration arrangements for R&D personnel, promoting cooperation between science and technology parks and intermediary service organisations.</p>	<p>To sign the agreement in early 2007</p>	<p>Commerce, Industry and Technology Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>two governments should actively promote the two places as a world-class regional hub for technology activities to the international community.</p>	<p>P15-38 The HKSARG and the community should actively promote the advantages of Shenzhen and Hong Kong in technology development on appropriate occasions.</p>	<p>Ongoing</p>	<p>Commerce, Industry and Technology Bureau</p>	<p>Industry associations of the relevant industries, technology institutions and tertiary institutions</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<u>Information Service</u>					
<p>P16. Hong Kong should actively promote overseas its numerous advantages that are conducive to the development of data services, including a stable and secure electricity supply network, low-cost and reliable telecommunications service as well as state-of-the-art information infrastructure and a sound legal system, and strive to be the key data centre in the region. To achieve this goal, the HKSARG should review the existing land policy to allow service providers to set up the relevant equipment or facilities in industrial</p>	<p>P16-39 SARG should review the existing land policy regarding the application procedures by emerging industries (e.g. telecommunications, information technology, etc.) to operate and install relevant equipment and facilities in industrial premises and allowing them to pay government rent instead of land premium, with a view to coping with the growing demand for the service of data centre.</p>	<p>To conduct the relevant review in 2007</p>	<p>Commerce, Industry and Technology Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>premises without requiring them to make special application or pay additional fees.</p>					
<p>P17. Harnessing our existing infrastructure, Hong Kong can ally with Shenzhen as a pilot area to establish a quality and reliable cross-boundary broadband network for providing e-commerce and digital content transmission services on a business-to-business basis across the boundary.</p>	<p>P17-40 SARG and Shenzhen should examine how to integrate their network facilities to form a backbone network covering both technological and general commercial applications, thereby allowing users of both places to carry out e-commerce and digital content transmission by connecting to the backbone network.</p>	<p>To start discussion with the Shenzhen authorities in 2007 to draw up specific measures as soon as possible</p>	<p>Commerce, Industry and Technology Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P17-41 Where appropriate, Hong Kong should consider extending the operation of the cross-boundary broadband network to Guangdong Province and other Mainland provinces and cities.</p>	<p>To further examine the proposal in the light of the progress of the Hong Kong/ Shenzhen broadband network</p>	<p>Commerce, Industry and Technology Bureau</p>		

Sub-group on Tourism

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
P18. To enhance cross-boundary visitor flows					
18.1 To strengthen Hong Kong's role as a transportation hub by increasing supporting transport facilities	P18-42 Air: To discuss with relevant Mainland authorities to explore measures to improve air traffic flow, e.g. establishing additional flight paths between the two sides and reduce flight waiting time.	Ongoing	Economic Development and Labour Bureau, and Civil Aviation Department		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P18-43 Land: To improve cross-boundary rail service, e.g. increasing the frequency of through train service between Guangzhou and Hong Kong, and shortening the rail journeys between other Mainland cities and Hong Kong.</p>	See remarks	Environment, Transport and Works Bureau	Kowloon-Canton Railway Corporation	<p><u>Increasing the frequency of Guangzhou-Kowloon Through Train service</u> It is a commercial decision on the part of Kowloon-Canton Railway Corporation to increase the frequency of through train service or not. The Kowloon-Canton Railway Corporation will properly adjust the frequency of through train service in the light of actual patronage.</p> <p><u>Shortening rail journeys</u> The Kowloon-Canton Railway Corporation noted that Mainland railways are</p>

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
					undergoing a speed raising project. The journeys of through train service will be shortened upon the completion of the project.
	P18-44 Sea: To speed up the construction of new cruise terminal so that Hong Kong can become a “must-call” destination on cruise itineraries.	2012	Tourism Commission		
18.2 To implement an entry control policy that will help enhance cross-boundary passenger flows	P18-45 To strive for an entry control policy that facilitates passenger flows by exchanging views with relevant Mainland authorities on the feasibility of such measures, e.g. allowing visitors under the Individual Visit Scheme (IVS) heading for Macau to enter Hong Kong visa-free, and allowing overseas	Ongoing	Security Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	visitors to travel between the Mainland and Hong Kong without an additional visa in the Mainland.				
P19. To facilitate tourism development in Hong Kong and the Mainland					
19.1 To strengthen co-operation with the Mainland in tourism promotion	<p>P19-46 To communicate with more Mainland provinces/cities to establish cooperation plans and to promote thematic “multi-destination” itineraries to overseas markets.</p> <p>P19-47 To ride on the opportunities presented by Beijing 2008 Olympics to co-operate with the Mainland in overseas promotion of “multi-destination” itineraries.</p>	<p>Ongoing</p> <p>2008</p>	<p>Tourism Commission</p>	<p>Hong Kong Tourism Board, Travel Industry Council of Hong Kong, and local industry</p> <p>Hong Kong Tourism Board</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	P19-48 To discuss with individual provinces to achieve more effective co-ordination of multi-lateral joint promotion efforts.	Ongoing		Hong Kong Tourism Board	
19.2 To capitalise on the new measures under CEPA in order to create business opportunities for local tourism industry	P19-49 To grasp the opportunities arising from the new measures under CEPA, to enter into the Mainland market by operating “Hong Kong and Macau Tours” in Guangdong under a pilot scheme with effective from 1 January 2007. This will lead to healthy competition that helps improve the tourism market operation in the Mainland	Early 2007		Travel Industry Council of Hong Kong, and local industry	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P19-50 To organise exchange of visits for stakeholders in the Pan-PRD region and other provinces/cities, including travel agents, tourist attraction operators and hotels, to promote mutual understanding of the economic environment and development potential. They then can consider making investment and explore business opportunities.</p>	Ongoing	Tourism Commission	Travel Industry Council of Hong Kong	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P19-51 To study the feasibility for Hong Kong travel agents to operate outbound tours in the Mainland (Guangdong Province as a pilot scheme) in support of the request of local industry.</p>	Ongoing	Tourism Commission	Travel Industry Council of Hong Kong	
	<p>P19-52 To strengthen promotion in IVS cities, both previously and newly joined to enhance deeper understanding of Hong Kong among visitors from these cities, hence to attract their visits to Hong Kong.</p>	Ongoing	Tourism Commission	Hong Kong Tourism Board	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	P20-55 To consider the recruitment of Mainland talent who are fluent in foreign languages, such as Russian, Spanish, etc so as to provide professional translation service for local tourism industry.	Ongoing	Tourism Commission		
20.2 To enhance the appeal of Hong Kong through boosting tourists' confidence in visiting the city with better tourist protection in support of the China National Tourism Administration's (CNTA) policy of "Honest & Quality Tourism".	P20-56 To enhance communication with the CNTA about the implementation of "Honest & Quality Tourism" and promote co-operation between the two sides on regulatory issues.	Ongoing	Tourism Commission	Hong Kong Tourism Board, and Travel Industry Council of Hong Kong	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P20-57 To continue to enhance the “Quality Tourism Services Scheme” and expand the Scheme to cover more tourism-related trades.</p>	Ongoing		Hong Kong Tourism Board	
	<p>P20-58 To review the Demerit Points System for Registered Shops under the “14 Days 100 Percent Refund Guarantee Scheme” to make it more effective in protecting visitor rights.</p>	End-2006		Travel Industry Council of Hong Kong	
	<p>P20-59 To step up the publicity to inform tourists of their consumer rights and protection in Hong Kong, increase the transparency of their itineraries and items of expenditure, and promote “smart consumption”.</p>	End-2006	Tourism Commission	Hong Kong Tourism Board Travel Industry Council of Hong Kong	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P20-60 To support the Travel Industry Council of Hong Kong to enforce strictly existing rules and penalties stipulated so as to punish the non-compliance of travel agents and tour guides.</p> <p>P20-61 To support Travel Industry Council of Hong Kong's early review of the existing regulatory mechanisms and consider inviting members from different sectors to partake in the regulatory mechanism.</p>	<p>End-2006</p> <p>End-2006</p>	<p>Tourism Commission</p>	<p>Travel Industry Council of Hong Kong</p> <p>Travel Industry Council of Hong Kong</p>	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
P21. To enhance local tourist attractions and supporting facilities					
21.1 To plan new tourism facilities and improve existing attractions	P21-62 To plan new tourism facilities to enhance the appeal of Hong Kong, e.g. providing full support to the Ocean Park Corporation in implementing its redevelopment project and facilitating development of new cruise terminal facilities as soon as practicable.	To be introduced successively in the coming years	Tourism Commission	Operators of related tourism facilities	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P21-63 To implement a series of projects under the Tourism District Enhancement Programme to enhance the existing attractions, e.g. the Aberdeen Tourism Project to complement the Redevelopment Project of the Ocean Park, enhancement of the Lei Yue Mun waterfront, and development of a piazza in Tsim Sha Tsui.</p>	To be completed in phases by 2012	Tourism Commission		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<p>P21-64 To explore, promote and implement thematic tourism, such as heritage tourism, green tourism, and evening cultural and arts activities.</p>	Ongoing	Tourism Commission	Hong Kong Tourism Board Operators of related tourism facilities	
21.2 To provide training for local practitioners with a view to enhancing the quality of tourism services	<p>P21-65 To provide tourist guides with relevant continuing education courses so that they can keep abreast of the professional knowledge and service standards. Course subjects to be considered include heritage tourism and green tourism.</p> <p>P21-66 To consider developing actively tourism-related training programmes for secondary five school leavers who intend to engage in tourism.</p>	Ongoing	Tourism Commission	Travel Industry Council of Hong Kong	
	<p>P21-66 To consider developing actively tourism-related training programmes for secondary five school leavers who intend to engage in tourism.</p>	Ongoing		Travel Industry Council of Hong Kong	