

Report of the Focus Group on
Professional Services, Information &
Technology and Tourism

January 2007

Contents

		Page
Chapter 1	Introduction	1
Chapter 2	Proposed Policy Directions	3
Chapter 3	Consultation	6
Chapter 4	Strategic Proposals	8
Chapter 5	Action Agenda	15
Chapter 6	Conclusion	16
Appendix	1 (a) Membership list of the Sub-group on Professional Services	17
Appendix	1 (b) Membership list of the Sub-group on Innovation, Technology and Information Services	18
Appendix	1 (c) Membership list of the Sub-group on Tourism	20
Appendix	2 Final Report of the Sub-group on Professional Services	22
Appendix	3 Final Report of the Sub-group on Innovation, Technology and Information Services	56
Appendix	4 Final Report of the Sub-group on Tourism	68
Appendix	5 Consultation List of the Sub-group on Professional Services	107
Appendix	6 Action Agenda Proposed by the Focus Group on Professional Services, Information & Technology and Tourism	111

Chapter 1 Introduction

Composition and Membership

1.01 The Focus Group on Professional Services, Information & Technology and Tourism (“Focus Group”) consists of the following eleven members:

- ◆ The Hon LEUNG Chun-ying, G.B.S., J.P. (Convenor)
- ◆ Mrs FONG WONG Kut-man, Nellie, G.B.S., J.P.
- ◆ Dr KO Wing-man
- ◆ The Hon LAU Sau-shing, Patrick, S.B.S., J.P.
- ◆ Ms LEUNG Oi-sie, Elsie, G.B.M., J.P.
- ◆ Professor LIU Pak-wai, S.B.S., J.P.
- ◆ Mr SO Chak-kwong, Jack, J.P.
- ◆ Dr Wang Shui-Chung, Patrick, J.P.
- ◆ Professor WONG Yue-chim, Richard, S.B.S., J.P.
- ◆ Mr WONG See-sum, Jackie, J.P.
- ◆ Mr WOO Kwong-ching, Peter, G.B.S., J.P.

1.02 The Director of the Chief Executive’s Office is the official member of this Focus Group.

1.03 To conduct an in-depth examination of the specific issues raised in the Economic Summit, the Focus Group has formed three Sub-groups, namely, Sub-group on Professional Services, Sub-group on Innovation, Technology and Information Services, and Sub-group on Tourism. Ms Elsie LEUNG, Mr Jack SO and Mr Jackie WONG are the convenors of the Sub-group on Professional Services, Sub-group on Innovation, Technology and Information Services, and Sub-group on Tourism respectively. Membership lists of the three Sub-groups are at [Appendix 1](#). The three Sub-groups have had discussions in their respective areas and consulted the views of the industries concerned.

The Focus Group

1.04 The Focus Group has held three meetings since the Economic Summit. It has examined and discussed the strategic proposals put forward by the three Sub-groups.

Chapter 2 Proposed Policy Directions

2.01 There is a unique feature in the issues covered by the Focus Group, i.e. they straddle the areas of the other three Focus Groups. To strengthen Hong Kong's position as international financial, trading and maritime centres, we must ensure that we have complementary development in professional services, information and technology, and tourism sectors. As an international city, Hong Kong should strive to attain a leading position globally in these areas. Only with this achievement would Hong Kong continue to play a unique role as an international gateway to the Mainland and contribute to the economic and social development of our country.

Professional Services

2.02 The Sub-group on Professional Services has held three meetings. It has drawn up thirteen strategic proposals for the four professional services sectors. A copy of the Final Report of the Sub-group is at [Appendix 2](#). The primary objective of the Sub-group's proposals is to develop Hong Kong into a world-class professional services centre and maintaining the leading position of the relevant professional services sectors through leveraging on -

- (i) the large clusters of international professional firms in Hong Kong which bring with them knowledge and expertise of international standards; and
- (ii) the strengths of our home-grown professional services sector which possesses both international outlook and a wealth of practitioners with the same culture and origin and share the same language with their counterparts in the Mainland.

2.03 The Sub-group also considered measures that contribute to the modernisation of the national economy and its integration with international economic developments during the implementation period of the 11th Five-Year Plan.

2.04 The Sub-group believes that its recommendations should promote the interests not only of the four professional sectors under study, but also those of other professional services in the following ways –

- (i) If our professionals in the professional services sectors concerned can take a proactive role instilling in their Mainland counterparts the concepts of “personal professional services” and “self-governance by the profession”, it will lay a good foundation for other professional sectors to promote their services in the Mainland; and
- (ii) The Sub-group should make specific recommendations regarding the need to improve and enhance the platform for cooperation with their Mainland counterparts for each of the four professional sectors. These include the promotion of exchanges at different levels, extension of the scope of mutual exemption for qualifications examinations, striving for the establishment in the Mainland of wholly owned enterprises by Hong Kong’s professionals. If these proposals materialize, other professional sectors may follow suit.

2.05 The Sub-group agrees that, in light of the unique nature of professional services, our professionals should strive continuously to equip themselves so as to stay ahead of our competitors worldwide. At the same time, our professionals should consider how best to contribute to the modernization of the national economy and its integration with international economic developments. The Government should continue to play a supporting role in liaising with the relevant ministries and departments in the Mainland to complement the professional services sectors’ efforts in improving and enhancing the platform for cooperation with their Mainland counterparts.

Innovation, Technology and Information Services

2.06 The Sub-group on Innovation, Technology and Information Services convened four meetings and focused its discussion on how Hong

Kong should further promote the development of innovation, technology and information services.

2.07 The objective of the Sub-group's work is to draw up specific proposals on how to strengthen Hong Kong's position as a world-class regional hub for innovation and technology activities and to promote Hong Kong's information services to the Mainland and the international community. The Sub-group has put forward four strategic proposals relating to innovation, technology and information services. A copy of the Final Report of the Sub-group is at Appendix 3.

Tourism

2.08 The Sub-group on Tourism held two meetings and discussed issues related to tourism development in Hong Kong, including the overall policy, supporting facilities, closer cooperation with the Mainland and quality of tourism services.

2.09 The objective of the Sub-group's work is to examine ways to promote tourism development with a focus on the Mainland market so as to maintain and enhance the competitiveness of Hong Kong's tourism industry. The Sub-group has consolidated views from the tourism industry and related trades, and put forward four strategic proposals for consideration. A copy of the Final Report of the Sub-group is at Appendix 4.

Chapter 3 Consultation

3.01 To prepare a forward-looking and practicable action agenda and to engage the community on this important subject, the three Sub-groups have consulted the relevant sectors of the community on the strategic issues put forward in the Economic Summit. Views and recommendations of the sectors concerned have been reflected in this Report.

Sub-group on Professional Services

3.02 The Sub-group on Professional Services has focused its consultation to four professional sectors, namely the legal, accountancy, medical and construction & related engineering services sectors. The consultation list is enclosed at Appendix 5. A two-pronged approach has been adopted in the consultation process as follows –

- ♦ Face-to-face consultation sessions were held at which representatives from the professional sectors concerned were invited to express their views. Consultation sessions were held for the medical (9 October and 9 November 2006), accountancy (18 October 2006), legal (18 October 2006) as well as construction & related engineering (19 October 2006) services sectors.

- ♦ Relevant professional bodies were invited to tender their written submissions on various strategic proposals.

Sub-group on Innovation, Technology and Information Services

3.03 The Sub-group on Innovation, Technology and Information Services comprises 18 members from the relevant industries, research and development institutions and tertiary education institutes. Members have had in-depth discussions on how Hong Kong should further promote the development of innovation, technology and information services. They expressed their views on how to make use of Hong Kong's existing technological infrastructure facilities to strengthen the transfer of technologies and intellectual property rights to the Mainland. Issues on

exchange of talents and closer technology collaboration with the Mainland, particularly Guangdong Province and Shenzhen, have also been discussed.

Sub-group on Tourism

3.04 The Sub-group on Tourism comprises members from the tourism industry and related sectors, including tour operators, hotels, tour guides, catering and retail trades, airlines and the academia. The Sub-group has, through its members, collected views from their respective sectors. Moreover, the Tourism Commission has also invited the tourism industry and related sectors to provide written submissions. A total of nine written submissions have been received from the relevant sectors. In essence, the tourism industry has expressed their views on how to plan new tourist facilities and enhance the existing attractions. They have also tendered advice on measures to promote tourism through closer cooperation with the Mainland, including enhancing the connectivity between Hong Kong and the Mainland, development of multi-destination itineraries, supporting the Mainland's efforts to promote "honest and quality tourism" and talents exchange etc.

Chapter 4 Strategic Proposals

4.01 The Focus Group recommended a spectrum of strategic proposals to foster the development and promotion of professional services, information and technology and tourism industries in Hong Kong. They are:

(A) Sub-group on Professional Services

Legal Profession

- (i) To maintain the strengths of Hong Kong lawyers by –
 - (a) improving the standard of the legal services and promoting their competitiveness through enhanced legal training, encouraging exchanges with professionals from around the world and leveraging on the strengths of our legal services sector ; and
 - (b) elevating the standard of basic legal education and formulating and promoting legal education reforms so as to provide Hong Kong with quality legal professionals.

- (ii) To improve and enhance the platform for co-operation between the legal services sector of Hong Kong and the Mainland through –
 - (a) making good use of the CEPA framework and other mechanisms; and
 - (b) helping the Mainland in enriching its legal system by sharing with the Mainland our legislative and judicial experience and experience in strengthening the rule of law.

- (iii) 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.
- (iv) To explore the feasibility of providing one-stop services to clients with different needs through examining the concepts of -
 - (a) “multi-jurisdictional partnership” among lawyers from different jurisdictions and multi-disciplinary co-operation; and
 - (b) “greater China law firms” as a mode of practice which allows lawyers qualified to practise in both the Mainland and Hong Kong to hold licences to practise and provide services for their clients in the two places simultaneously.

Accountancy Profession

- (i) To maintain Hong Kong’s influence in the international professional arena through playing an active role in the formulation of accounting standards by international and regional accountancy bodies, so that the formulation of standards can fully take into account the economic and financial developments of the Mainland and Hong Kong.
- (ii) To enhance cooperation and exchange between the accounting professions in the Mainland and Hong Kong through –
 - (a) extension of the scope of mutual exemption for qualification examinations; and

- (b) actively pursue allowing Hong Kong and Mainland accounting firms to “practise in association” under the CEPA framework.
- (iii) To actively transfer knowledge and provide technical support and the necessary training in facilitating the formulation of the Mainland’s financial reporting standards and their convergence with international standards.

Medical Profession

- (i) To consolidate and further develop Hong Kong’s position as a professional medical centre of excellence in the Region through exploring the feasibility of setting up multi-partite medical centres of excellence, promoting Hong Kong’s medical services in the Mainland and our neighboring regions, and considering measures to facilitate patients from the Mainland to seek medical treatment in Hong Kong.
- (ii) 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 mutually beneficial development, particularly to examine the feasibility of setting up medical teams led by senior medical professionals and managers and comprising young personnel to provide medical services in the Mainland and to develop Hong Kong into a medical training centre providing continuous medical training for practitioners in both Hong Kong and the Mainland.
- (iii) To foster a conducive environment to encourage Hong Kong medical practitioners to practise in the Mainland, through promoting the concept of personal professional services governance in the Mainland and seeking clarification on the application procedures for the operation and registration of clinics in the Mainland.

Construction and Related Engineering¹ Profession

- (i) To strengthen the support for the development of the local construction and related engineering services sector in the Mainland and overseas areas, including reinforcing the initiatives to attract, maintain and nurture professionals for the construction and related engineering services.
- (ii) To enhance the cooperation of the construction and related engineering services sectors between Hong Kong and the Mainland through –
 - (a) assisting the Mainland counterparts in going out and establishing themselves in overseas markets, by leveraging on our professional management and rich international market experience and networking; and
 - (b) striving for the establishment in the Mainland of wholly owned enterprises by Hong Kong’s construction and related engineering professional services.
- (iii) To target the urban construction and development projects in second-tier cities in the Mainland, thereby creating room for Hong Kong professionals to provide “one-stop” integrated services, embracing planning, site formation, building development, construction and management of transport infrastructural facilities, energy/water supply, and waste disposal, etc.

(B) Sub-group on Innovation, Technology and Information Services

Innovation and Technology

¹ “Construction and related engineering” services include architectural, engineering, town planning, landscape architectural, quantity surveying and other specialist consultants.

- (i) To participate proactively in the process of the development and formulation of product standards in the Mainland. The HKSAR Government 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, digital TV, RFID, AVS and WAPI.
- (ii) To 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 research and development institutions. The two governments should actively promote the two places as a world-class regional hub for technology activities to the international community.

Information Services

- (i) To actively promote overseas Hong Kong’s numerous advantages that are conducive to the development of data service, 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 HKSAR Government should review the existing land policy to allow service providers to set up the relevant equipment or facilities in industrial premises without requiring them to make special application or pay additional fees.
- (ii) As a pilot project between Hong Kong and Shenzhen, 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.

(C) Sub-group on Tourism

- (i) To enhance our connectivity with the Mainland and introduce more user-friendly visa policy and border control facilities so as to make it more convenient and attractive for people to visit Hong Kong.
- (ii) To further cooperate with the Mainland in promoting multi-destination itineraries and to leverage on CEPA to develop new business opportunities in the Mainland and help enhance service quality in the Mainland. We should strive to allow Hong Kong travel agents to operate overseas outbound group tours from the Mainland.
- (iii) To have more exchange of talents with the Mainland with a view to enhancing service quality of the tourism industry of the two places. To support actively the Mainland's policy of "Honest and Quality Tourism" to improve the overall quality of tourism services and foster the healthy development of tourism in Hong Kong and the Mainland.
- (iv) To consider developing more tourism attractions and facilities such as cruise terminal, cultural attractions and activities.

(D) Common Issues

4.02 The Sub-Group on Professional Services notes that Hong Kong's professional services sectors face some common issues such as nurturing and attracting talents to work in Hong Kong, maintaining clean air and a sustainable environment that affects the retention of talents, and promoting the brand names of Hong Kong's professional services. The Sub-Group has conveyed to the relevant Focus Group and Sub-Groups its views on these common issues pertaining to professional services for

consideration –

- (a) To attract talents from the Mainland and around the world and facilitate the exchange of students by relaxing controls on immigration and employment;
- (b) To retain talents by maintaining clean air and a sustainable environment;
- (c) To nurture local talents to join our professional services by elevating the overall education standard and better preparing our students in the tertiary institutions to work outside Hong Kong after graduation;
- (d) To promote the brand name of Hong Kong's professional services as a guarantee of professional ethics as well as high quality, efficient and reliable services.

Chapter 5 Action Agenda

5.01 After thorough discussion and examination of the strategic proposals, the Focus Group has hammered out a practicable and feasible action agenda in Appendix 6 of this report.

Chapter 6 Conclusion

6.01 The National 11th Five-Year Plan unequivocally “supports Hong Kong’s development on fronts such as financial services, logistics, tourism and information services, and the maintenance of Hong Kong’s status as an international centre of financial services, trade and shipping”. Professional services, information and technology and tourism industries are not only important contributors to Hong Kong’s GDP, they also form an indivisible linkage among all other industries and fundamental to the successful development of the “three international centres”.

6.02 This report, including the Action Agenda, presents the results of discussions and recommendations of the Focus Group in response to the opportunities and challenges for Hong Kong arising from the Plan. We should capitalize our advantages and strengths that Hong Kong could contribute to our country and promote our international reputation and status.

6.03 The Focus Group has set out an array of strategic proposals and specific measures in the Action Agenda for consideration by the Government. The Focus Group believes that the implementation of these specific actions will reinforce the development of the professional services, information and technology and tourism industries.

Sub-group on Professional Services

Membership List

- | | |
|------------------------|--|
| 1. Ms Elsie LEUNG | (Convenor) |
| 2. Mrs Nellie FONG | Chairman
China Operations
Pricewaterhouse Coopers |
| 3. Dr KO Wing-man | Doctor |
| 4. The Hon Patrick LAU | Director
Design Consultants Limited |
| 5. Prof LIU Pak-wai | Pro-Vice Chancellor & Professor of Economics
The Chinese University of HK |

Sub-group on Innovation, Technology and Information Services

Membership List

1. Mr Jack So
(Convenor) Deputy Chairman and Group Managing
Director
PCCW Ltd
2. Mr Peter Woo Chairman
Wheelock & Co Ltd
3. Dr Patrick Wang CEO and Chairman
Johnson Electric Holdings Ltd
4. Prof Richard Wong Deputy Vice-Chancellor
The University of Hong Kong
5. Mr Hurbert Chan Chairman
Communications Association of Hong Kong
6. Mr John Chiu Chairman
Hong Kong Wireless Technology Industry
Association Ltd
7. Mr John Chu Chairman & CEO
Centro Digital Pictures Ltd
8. Prof Paul Chu President
Hong Kong University of Science and
Technology
9. Mr Paul Chow Chief Executive
Hong Kong Exchanges & Clearing Ltd

10. Prof Nancy Ip Director
Biotechnology Research Institute
Hong Kong University of Science &
Technology
11. Mr Sunny Lee President
Hong Kong Computer Society
12. Dr York Liao Chairman
Board of Directors
Nano and Advanced Materials Institute Ltd
13. Mr Daniel Ng President
Hong Kong Information Technology
Federation Ltd
14. Dr Samson Tam Deputy Chairman
Hong Kong Productivity Council
15. Dr Allan Wong Chairman
Hong Kong Applied Science and Technology
Research Institute Company Ltd
16. Prof Wong Kam-fai Director
Centre for Innovation and Technology
Chinese University of Hong Kong
17. Dr Wu Liang-tai Executive Vice President, Emerging
Technology
PCCW Ltd
18. Mr Norman Yuen Deputy Managing Director
CITIC Pacific Communications Ltd

Sub-group on Tourism

Membership List

1. Mr Jackie Wong Convenor
2. Dr Michael Chan Chairman, Café De Coral Holdings Limited
3. Mr Cheang Yoon-hoong Managing Director, Morning Star Travel Service Ltd
4. Mr Dane Cheng General Manager Corporate Communication, Cathay Pacific Airways
5. Ms Clara Chong Executive Director, Hong Kong Tourism Board
6. Mr Ronnie Ho Chairman, Travel Industry Council of Hong Kong
7. Prof Lee Kam Hon Director, School of Hotel and Tourism Management, CUHK
8. Mr Paul Leung Convenor, Inbound Committee, Travel Industry Council of Hong Kong
9. Mr Brian Li Chairman, Quality Tourism Services Association
10. Mr Michael Li Executive Director, The Federation of Hong Kong Hotel Owners
11. Mr Lo Sui On General Manager, China Travel Services (HK) Ltd

- | | |
|-----------------------|--|
| 12. Mr James Lu | Executive Director, Hong Kong Hotels Association |
| 13. Mr Charles Ng | Chairman, Hong Kong Inbound Tours Operators Association Ltd |
| 14. Mr Wing Wong | Chairman, Hong Kong Association of Registered Tour Co-ordinators |
| 15. Mr Yeung Koon Yat | Managing Director, Forum Restaurant |

In attendance

- | | |
|----------------------|--|
| Hon. C Y Leung | Convenor, Focus Group on Professional Services, Information & Technology and Tourism |
| Miss Au King-chi | Commissioner for Tourism |
| Ms Maisie Cheng | Deputy Commissioner for Tourism |
| Ms Kinnie Wong | Assistant Commissioner for Tourism |
| Miss Christina Chong | Senior Administrative Officer (Tourism) (Secretary) |

**Economic Summit on
“China’s 11th Five-Year Plan and the Development of Hong Kong”**

**Focus Group on
Professional Services, Information & Technology and Tourism**

Final Report of the Sub-group on Professional Services

INTRODUCTION

The Sub-group on Professional Services (the Sub-group) is set up under the Focus Group on Professional Services, Information & Technology and Tourism. Its remit is to follow up on the deliberations at the Economic Summit on “China’s 11th Five-Year Plan and the Development of Hong Kong” held on 11 September 2006 (the Economic Summit), insofar as they are related to the professional services. The Sub-group consists of the following Members –

- (a) Ms Elsie Leung (Convenor) ;
- (b) Mrs Nellie Fong;
- (c) Dr Ko Wing-man;
- (d) Hon Patrick Lau; and
- (e) Professor Liu Pak-wai.

2. At its first meeting on 9 October 2006, the Sub-group agreed that it should focus its work on four professional services sectors (namely the legal, accountancy, medical, and construction & related engineering services sectors)¹. The Sub-group noted that the challenges facing other major professional services sectors outside these four sectors (e.g. financial, maritime, logistics, information and technology services sectors, etc) would be considered by other Focus Groups under the Economic Summit. The Sub-group also decided the consultation lists for each of the four sectors and the method of consultation.

¹ According to the World Trade Organization Services Sectoral Classification List, services which are categorized as “Professional Services” are basically covered by the four professional services considered by the Sub-group.

3. At its second meeting on 23 October 2006, the Sub-group discussed the outline of the interim report and the principles to be followed by the Sub-group in formulating proposals for inclusion in the Action Agenda.

4. At its third meeting on 6 December 2006, the Sub-group took into consideration the views expressed at the consultation sessions with representatives of the professional sectors concerned as well as the written submissions from professional bodies, and finalised its proposed Action Agenda for consideration by the Focus Group.

PROPOSED POLICY DIRECTIONS

5. The Sub-group has adopted the following policy considerations in formulating proposals for inclusion in the Action Agenda–

- (a) proposals should be formulated with a view to developing Hong Kong into a world-class professional services centre and maintaining the leading position of the relevant professional services sectors through leveraging on -
 - (i) the large clusters of international professional firms in Hong Kong which bring with them knowledge and expertise of international standards; and
 - (ii) the strengths of our home-grown professional services sector which possesses both international outlook and a wealth of practitioners with the same culture and origin and share the same language with their counterparts in the Mainland;
- (b) the Sub-group should consider measures that contribute to the modernisation of the national economy and its integration with international economic developments during the implementation period of the 11th Five-Year Plan; and
- (c) the Sub-group should ensure that the proposals or measures to achieve the policy directions at (a) and (b) are concrete, feasible and practicable.

METHODOLOGY FOR CONSULTATION

6. The consultation lists drawn up by the Sub-group at its first meeting are based on inputs endorsed by the Focus Group on Professional Services, Information & Technology and Tourism (the Focus Group) and those by Members of the Sub-group and the Government. To capture the views of as many different professional bodies and individuals as possible within the two month consultation period, the Sub-group has adopted a two-pronged approach -

- (a) to seek the views of representatives from the professional sectors concerned through face-to-face consultation sessions. Members of the Sub-group conducted consultation sessions for the medical (9 October and 9 November 2006), accountancy (18 October 2006), legal (18 October 2006) as well as construction and related engineering (19 October 2006) services sectors to listen to the views of the representatives from the sectors concerned; and
- (b) to invite written submissions from the relevant professional bodies.

7. The majority of the professional bodies in the four selected professional sectors have tendered their comments and advice either through the consultation sessions or in writing. After carefully considering all their comments and proposals, the Sub-group has selected some of them for inclusion into the Action Agenda having regard to the policy considerations set out in paragraph 5. The Sub-group will refer those comments and proposals not selected to the relevant organizations and Government departments for consideration.

STRATEGIC PROPOSALS

8. The Sub-group notes that Hong Kong's professional services sectors face some common strategic issues which pose both challenges and opportunities to their further development. These issues include –

- (a) how can we attract more talents from the Mainland and from around the world to participate in and contribute to the development of our professional services, and to retain talents by improving the living environment?

- (b) how can we nurture more local talents to join our professional services by enhancing education and training?
- (c) how can we promote the brand name of Hong Kong's professional services as a guarantee of professional ethics as well as high quality, efficient and reliable services?
- (d) how Hong Kong's professionals can further leverage on the strong momentum of growth in the Mainland while contributing to the development of the Mainland's professional services ?

The Sub-group notes that the Focus Group on Trade and Business has considered matters relating to the first three common issues and will formulate measures for inclusion in the Action Agenda. Specifically, a dedicated "Sub-group on Attracting and Nurturing Talents" has been set up to consider the common issues as set out in paragraph 8(a) and (b). That Focus Group is also considering ways to maintain a sustainable growth and alleviate the problem of air pollution in Hong Kong and a dedicated "Sub-group on Brand Hong Kong" has been set up to consider the common issue as set out in paragraph 8(c).

9. The Sub-group has conveyed to the relevant Focus Group and Sub-groups its views on these common issues pertaining to professional services for consideration –

- (a) To attract talents from the Mainland and around the world and facilitate the exchange of students by relaxing controls on immigration and employment;
- (b) To retain talents by maintaining clean air and a sustainable environment;
- (c) To nurture local talents to join our professional services by elevating the overall education standard and better preparing our students in the tertiary institutions to work outside Hong Kong after graduation;
- (d) To promote the brand name of Hong Kong's professional services as a guarantee of professional ethics as well as high quality, efficient and reliable services.

10. On the question of how Hong Kong professionals can further leverage on the strong momentum of growth in the Mainland while contributing to the development of the Mainland's professional services (see paragraph 8(d), the Sub-group considers that our professional services sector may, in conjunction with the Government, pursue the subject at different levels, -

- (a) Government-to-Government level : the Sub-group notes that the Closer Economic Partnership Arrangement (CEPA) has laid down a good foundation for Hong Kong's services industries, including professional services, to explore opportunities in the Mainland market. The preferential and facilitation measures under CEPA include mutual recognition of professional qualifications and examinations for various professional sectors, mutual exchange of professional expertise, allowing Hong Kong companies to set up wholly-owned operations on the Mainland, and encouraging Mainland enterprises to invest and expand their operations in Hong Kong (hence offering our professional services sector the opportunity to provide service for Mainland enterprises directly in Hong Kong). The Sub-group considers that the Government should keep up its efforts in facilitating Hong Kong professional firms to make use of these preferential measures by strengthening liaison with the Mainland authorities at the central, provincial and municipal levels, reflecting the views of individual professional sectors to the Mainland authorities concerned on further liberalization of the Mainland market, discussing with the Mainland on streamlining of application and approval procedures, consulting with the relevant Mainland authorities on the arrangement for our professionals to register in the Mainland after acquiring the Mainland professional qualifications and providing timely information on the Mainland's rules and regulations concerned.
- (b) Government-to-Consumer level : the Sub-group notes that the Hong Kong Trade Development Council (HKTDC) and various government departments have been actively promoting Hong Kong's professional services to Mainland enterprises through collecting and disseminating economic and trade information for our professional services sector, organizing major promotion activities for individual professional sectors in the Mainland and organizing visits to enhance exchanges between the relevant professional sectors of the two places. The

Sub-group considers that the HKTDC should step up its efforts to assist our professional bodies in gaining access to the Mainland market through organizing major programmes involving Hong Kong's professional firms and entrepreneurs, the international community and the Mainland enterprises.

- (c) Business-to-Consumer level : the Sub-group notes that the absence of such concepts as “personal professional services” and “self-governance by the profession” in the Mainland has brought about some constraints on the provision of services by our professionals in the Mainland market. The Sub-group considers that our professional bodies should join force with the Government and HKTDC to instill these concepts in their Mainland's counterparts and promote the image of Hong Kong's professional services as a quality, efficient and reliable regional service platform with high professional ethnics.

Having regard to the above considerations and pursuant to the policy directions set out in paragraph 5, the Sub-group has come up with 13 strategic proposals in respect of the four professional services sectors.

11. The strategic proposals for the **legal profession** are -

- (a) To maintain the strengths of Hong Kong lawyers by –
- i. improving the standard of the legal services and promoting their competitiveness through enhanced legal training, encouraging exchanges with professionals from around the world and leveraging on the strengths of our legal services sector ; and
 - ii. elevating the standard of basic legal education and formulating and promoting legal education reforms so as to provide Hong Kong with quality legal professionals
- (b) To improve and enhance the platform for cooperation between the legal services sector of Hong Kong and the Mainland through –

- i. making good use of the CEPA framework and other mechanisms; and
 - ii. helping the Mainland in enriching its legal system by sharing with the Mainland our legislative and judicial experience and experience in strengthening the rule of law
- (c) 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
- (d) To explore the feasibility of providing one-stop services to clients with different needs through examining the concepts of -
- i. “multi-jurisdictional partnership” among lawyers from different jurisdictions and multi-disciplinary cooperation; and
 - ii. “greater China law firms” as a mode of practice which allows lawyers qualified to practise in both the Mainland and Hong Kong to hold licences to practise and provide services for their clients in the two places simultaneously

12. The strategic proposals for the **accountancy profession** are -

- (a) To maintain Hong Kong’s influence in the international professional arena through playing an active role in the formulation of accounting standards by international and regional accountancy bodies, so that the formulation of standards can fully take into account the economic and financial developments of the Mainland and Hong Kong
- (b) To enhance cooperation and exchange between the accounting professions in the Mainland and Hong Kong through –
 - i. extension of the scope of mutual exemption for qualification examinations; and
 - ii. actively pursue allowing Hong Kong and Mainland accounting firms to “practise in association” under the CEPA framework

- (c) To actively transfer knowledge and provide technical support and the necessary training in facilitating the formulation of the Mainland's financial reporting standards and their convergence with international standards

13. The strategic proposals for the **medical profession** are -

- (a) To consolidate and further develop Hong Kong's position as an professional medical centre of excellence in the Region through exploring the feasibility of setting up multi-partite medical centres of excellence, promoting Hong Kong's medical services in the Mainland and our neighboring regions, and considering measures to facilitate patients from the Mainland to seek medical treatment in Hong Kong
- (b) 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 mutually beneficial development, particularly to examine the feasibility of setting up medical teams led by senior medical professionals and managers and comprising young personnel to provide medical services in the Mainland and to develop Hong Kong into a medical training centre providing continuous medical training for practitioners in both Hong Kong and the Mainland
- (c) To foster an environment conducive to Hong Kong medical practitioners practising in the Mainland, through promoting the concept of personal professional services governance in the Mainland and seeking clarification on the application procedures for the operation and registration of clinics in the Mainland.

14. The strategic proposals for the **construction and related engineering² profession** are -

² "Construction and related engineering" services include architectural, engineering, town planning, landscape architectural, quantity surveying and other specialist consultants.

- (a) To strengthen the support for the development of the local construction and related engineering services sector in the Mainland and overseas areas, including reinforcing the initiatives to attract, maintain and nurture professionals for the construction and related engineering services
- (b) To enhance the cooperation of the construction and related engineering services sectors between Hong Kong and the Mainland through –
 - i. assisting the Mainland counterparts in going out and establishing themselves in overseas markets, by leveraging on our professional management and rich international market experience and networking; and
 - ii. striving for the establishment in the Mainland of wholly owned enterprises by Hong Kong’s construction and related engineering professional services
- (c) To target the urban construction and development projects in second-tier cities in the Mainland, thereby creating room for Hong Kong professionals to provide “one-stop” integrated services, embracing planning, site formation, building development, construction and management of transport infrastructural facilities, energy/water supply, and waste disposal, etc.

ACTION AGENDA

15. The Sub-group recommends to the Focus Group, at **Annex 1**, a list of the strategic proposals in respect of the legal, accountancy, medical and construction & related engineering services sectors for inclusion in the proposed Action Agenda for presentation to the Chief Executive.

16. The Sub-group has also conveyed its views on the common strategic issues, at **Annex 2**, to the relevant Focus Group/ Sub-groups for consideration in formulating their Action Agenda on these common issues.

CONCLUSION

17. The Sub-group believes that the recommendations in this Report should promote the interests not only of the four professional sectors under study, but also those of other professional services sectors in the following ways -

- (a) If our professionals in the professional services sectors concerned can take a proactive role in instilling in their Mainland counterparts the concepts of “personal professional services” and “self-governance by the profession”, it will lay a good foundation for other professional sectors to promote their services in the Mainland;
- (b) The Sub-group has made specific recommendations regarding the need to improve and enhance the platform for cooperation with their Mainland counterparts for each of the four professional sectors (see paragraphs 11(b), 12(b), 13(b) and 14(b)). These include the promotion of exchanges at different levels, extension of the scope of mutual exemption for qualifications examinations, striving for the establishment in the Mainland of wholly owned enterprises by Hong Kong’s professionals. Should these proposals materialize, other professional sectors may benefit by following suit;
- (c) Subject to the deliberation of the Focus Group on Trade and Business, should the Sub-group’s recommendations on the common strategic issues as set out in paragraph 9 be acted upon and followed through, the professional services sector as a whole will benefit.

18. The Sub-group notes that, in light of the unique nature of professional services, our professionals should strive continuously to equip themselves so as to stay ahead of our competitors worldwide. At the same time, our professionals should consider how best to contribute to the modernization of the national economy and its integration with international economic developments. The Government should continue to play a supporting role in liaising with the relevant ministries and departments in the Mainland to complement the professional services sectors’ efforts in improving and enhancing the platform for cooperation with their Mainland counterparts.

ANNEX

Annex 1: Proposed Action Agenda on Professional Services

Annex 2 : List of Common Strategic Issues

Annex 3: Consultation list

**Sub-group on Professional Services
December 2006**

Proposed Action Agenda for Legal Services Sector

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
1. Maintaining the strengths of Hong Kong lawyers by improving the standard of the legal services and promoting their competitiveness.	<p>(i) 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>(ii) 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>Long-term strategy to be implemented on an on-going basis</p>	<p>The legal services sector (including the Law Society, the Bar Association and academics)</p> <p>Law schools, Standing Committee on Legal Education and Training, and the legal services sector</p>	<p>DoJ</p> <p>DoJ</p>	<ul style="list-style-type: none"> • 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. • 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. • Attention should also be paid to students' language proficiency, including both Chinese and English. • The standard of continuing education should also be raised.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
<p>2. To improve and enhance the platform for co-operation between the legal services sector of Hong Kong and the Mainland.</p>	<p>(i) To make good use of the CEPA framework and other government-to-government mechanisms to clarify :</p> <ul style="list-style-type: none"> - any existing ambiguities encountered by Hong Kong lawyers in providing services or developing business in the Mainland; and - any grey areas under the Arrangement for Reciprocal Enforcement of Arbitral Awards between Hong Kong and the Mainland. <p>(ii) 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; and</p> <p>Within the span of the 11th Five-Year Plan on any ambiguities or grey areas.</p> <p>Long-term strategy to be implemented on an on-going basis</p>	<p>CITB and DoJ</p> <p>DoJ</p> <p>DoJ and the legal services sector</p>		<ul style="list-style-type: none"> • Under “One Country, Two Systems”, the legal systems of the two places differ, and so do the problems they encounter. • 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. • Attention should be paid to the characteristics and effectiveness of the two legal systems.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
3. 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>(i) 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>(ii) To promote greater use of mediation services in Hong Kong;</p> <p>(iii) To implement the Reciprocal Enforcement of Judgments Arrangement between the Mainland and the HKSAR by introducing legislation to the LegCo.</p>	Long-term strategy to be implemented on an on-going basis Amendment of legislation may be implemented within the span of the 11 th Five-Year Plan.	(i) and (ii) DoJ and Hong Kong's arbitration and mediation organizations (iii) DoJ	Legal services sector, academics	<ul style="list-style-type: none"> Implementation involves consultation, amendment of existing legislation, promotion and publicity,

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
4. To explore the feasibility of providing one-stop services to clients with different needs.	<p>(i) To conduct a study on any follow-up action regarding multi-jurisdictional partnership and multi-disciplinary co-operation.</p> <p>(ii) 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>The legal services sector should strive to complete the study and reach conclusions within the span of the 11th Five-Year Plan.</p> <p>Long-term strategy to be implemented on an on-going basis</p>	<p>The legal professional bodies and other related sectors (such as the Society of Accountants, etc) to initiate the discussion</p> <p>DoJ and the legal services sector</p>	DoJ	<ul style="list-style-type: none"> • 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. • The principle of professional self-regulation should be respected in the course of cooperation. • Under “One Country, Two Systems”, the legal systems of the two places differ. • 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.

Proposed Action Agenda for Accountancy Services Sector

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
1. To maintain influence in the international professional arena.	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.	Long-term strategy to be implemented on an on-going basis	The Hong Kong Institute of Certified Public Accountants (HKICPA)	Other professional accountancy bodies and Hong Kong Exchanges and Clearing Limited (“HKEx”)	<ul style="list-style-type: none"> 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.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
2. To enhance cooperation and exchange between accounting profession in the Mainland and Hong Kong.	<p>(i) 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> <ul style="list-style-type: none"> - enabling Hong Kong accountants whose professional qualification was not acquired through the HKICPA's Qualification Programme Examinations to benefit from the mutual examination exemption arrangements; and - increasing the number of mutual exemption examination papers. 	To commence negotiations with the relevant Mainland authorities in the first two years of the 11 th Five-Year Plan period. If the option is feasible, the timetable will be finalized together with the relevant Mainland authorities	FSTB and CITB HKICPA		<ul style="list-style-type: none"> • Hong Kong accountants whose professional qualification was not acquired through the HKICPA 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. • 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”.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	(ii) To actively pursue allowing Hong Kong and Mainland accounting firms to “practise in association” and to take forward this proposal under the CEPA framework.				<ul style="list-style-type: none"> The option of allowing Hong Kong and Mainland accounting firms to “practise in association” may involve legislative amendments to the PRC’s Law on Certified Public Accountants. At present, the Mainland does not allow accounting firms in different provinces to do so.
3. 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>(i) To provide advice and assistance to the China Accounting Standards Committee in the standard convergence process; and</p> <p>(ii) To provide training courses to acquaint and update Mainland’s accountants with the knowledge and usage of International Financial Reporting Standards.</p>	Long-term strategy to be implemented on an on-going basis	HKICPA	Other professional accountancy bodies	

Action Agenda for Medical Services Sector

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
1. To consolidate and further develop Hong Kong's position as an outstanding professional medical centre in the Region	(i) 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.	Should seek to complete the study within the 11 th Five-Year Plan period.	HWFB, the medical sector and other involved sectors		<ul style="list-style-type: none"> • 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. • 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.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	<p>(ii) 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>(iii) 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>Medical professional bodies</p> <p>Medical Council and Dental Council</p>	<p>Medical professional bodies</p>	<ul style="list-style-type: none"> Dissemination of the relevant information should observe the medical ethics and the related restrictions on advertisement in Hong Kong.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	(iv) Consider the feasibility of issuing entry permits of a longer validity to facilitate Mainland patients to seek medical treatment in Hong Kong.	Should seek to complete the study within the 11 th Five-Year Plan period.	Relevant Mainland departments, HWFB and SB		<ul style="list-style-type: none"> • 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. • 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.
2. 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	Exchanges in medical culture (i) 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.	Long-term strategy to be implemented on an on-going basis	Medical professional bodies	HWFB	<ul style="list-style-type: none"> • 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.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	<p>Exchange of experience on professional practices</p> <p>(ii) 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>(iii) 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>(iv) 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>Long-term strategy to be implemented on an on-going basis</p>	<p>Medical professional bodies</p> <p>Medical professional bodies</p> <p>Medical professional bodies</p>		<ul style="list-style-type: none"> • Need to consider if there are adequate medical professionals and managers to join the medical team.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	<p>(v) 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>(vi) 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>Hong Kong Academy of Medicine</p> <p>Hospital Authority</p>		

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
3. To provide a conducive environment to encourage Hong Kong medical practitioners to practise in the Mainland	(i) 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.	Long-term strategy to be implemented on an on-going basis	Relevant Mainland departments and medical professional bodies		<ul style="list-style-type: none"> • 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. • Doctors who want to do solo-practice in the Mainland should be prepared to handle disputes involving customers and medical incidents.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	(ii) 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.	To clarify the uncertain parts with relevant Mainland authorities during the 11 th Five-Year Plan period.	CITB and HWFB		

Proposed Action Agenda for Construction and Related Engineering Services¹ Sector

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
1. To strengthen the support for the development of our construction and related engineering services sector in the Mainland and overseas markets.	(i) 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. (ii) 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.	To implement the proposal within the period of the 11 th Five-Year Plan. To complete a study on the professional resources of the construction and related engineering services and formulate overall strategy within the period of the 11 th Five-Year Plan.	The construction and related engineering services sector and ETWB The construction and related engineering services sector and ETWB	Hong Kong Trade Development Council EMB and Universities	

¹“Construction and related engineering services” include architectural, engineering, town planning, landscape architectural, quantity surveying and other specialist consultants.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
2. To enhance the cooperation of the construction and related engineering services sectors between Hong Kong and the Mainland.	<p>(i) To assist our Mainland's counterparts in "going out" to international markets with our professional management and with international market experience and networking -</p> <ul style="list-style-type: none"> - to organize exchange activities for professionals of the two places to strengthen their connection and enhance the professional standard of both sides. - 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>(ii) To strive for the establishment of wholly owned enterprises by Hong Kong's construction and related engineering professional services in the Mainland</p> <ul style="list-style-type: none"> - to continue the consultation with the Mainland authorities 	<p>To organise different forms of exchange programmes and overseas study visits within the period of the 11th Five-Year Plan.</p> <p>To reach understanding with the Mainland side on the proposal during the period of the 11th Five-Year Plan.</p>	<p>The construction and related engineering services sector and ETWB</p> <p>CITB and ETWB</p>		<ul style="list-style-type: none"> • As the proposal involves Mainland policies and regulations, the feasibility has to be further studied.

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
	<p>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> <ul style="list-style-type: none"> - To strive for early implementation of CEPA concessions and simplification of application and assessment procedures; - To strive for the implementation of a pilot scheme in the nine provinces of the 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>CITB and ETWB</p> <p>ETWB</p>		

Strategic proposals	Proposed Concrete Measures	Implementation Schedule	Responsible institution/ organization to implement the proposal	Organization/ institution to provide assistance and cooperation	Remarks
<p>3. 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 management.</p>	<ul style="list-style-type: none"> • To conduct a market research on the trends of Mainland economic development and the specific demands of different regions for urban construction and development. • 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. • To work out the detailed proposal on the diversified modes of services for consultation of the relevant Mainland authorities and industries. • To carry out publicity and promotion activities upon implementation of the proposal. 	<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>The construction and related engineering services sector and the real estate services sector and ETWB</p>		

List of Common Strategic Issues faced by Professional Services Sectors

Recommendations of the Sub-group on Professional Services	Other Focus Group/Sub-group considering the issues	Key issues under consideration by the relevant Focus Group/ Sub-group
1. To attract talents from Mainland and around the world		
(a) Attract talents by relaxing controls on immigration and employment (b) Facilitate the exchange of students between Hong Kong and Mainland and around the world by relaxing immigration controls	The Sub-group on “Attracting and Nurturing Talents”, under the Focus Group on Trade and Business	<ul style="list-style-type: none"> ● Explore ways to further promote the various admission schemes administered by Immigration Department ● Explore ways to attract more non-local students to study in Hong Kong, and to develop Hong Kong into a regional education hub
2. To retain talents by maintaining clean air and a sustainable environment	The Focus Group on Trade and Business	<ul style="list-style-type: none"> ● Explore ways to address the environmental problems and actively pursue improvement measures
3. To nurture local talents to join our professional services		
(a) Elevate the overall education standard, in particular, students’ language proficiency; and (b) Better prepare students in the tertiary institutions to work outside Hong Kong after graduation	The Sub-group on “Attracting and Nurturing Talents”, under the Focus Group on Trade and Business	<ul style="list-style-type: none"> ● Encourage different forms of collaboration in attracting and nurturing talents to meet the manpower needs of key industries ● Establish platforms for collaboration among industry, academia and government to prepare local talents for the key industries
4. To promote the brand name of Hong Kong’s professional services as a guarantee of professional ethics as well as high quality, efficient and reliable services	The Sub-group on “Brand Hong Kong” under the Focus Group on Trade and Business	<ul style="list-style-type: none"> ● Explore ways to promote and market Hong Kong, and the products and services under this brand. ● Explore ways to improve the quality of Hong Kong products and services

Sub-group on Professional Services
Consultation List

Part I – Representatives from Professional Services Sectors

Accountancy Services	
1.	Mr Paul CHAN President and Chairman of the Mainland Affairs Committee, Hong Kong Institute of Certified Public Accountants
2.	Mr Doug OXLEY President, Hong Kong Institute of Accredited Accounting Technicians Ltd.
3.	Ms Elizabeth LAW Council Member, The Society of Chinese Accountants & Auditors
4.	Ms Fion YIP Head of China / Hong Kong, The Association of Chartered Certified Accountants
5.	Mr Marcellus WONG Past President, CPA Australia, Hong Kong Branch
Legal Services	
6.	Mr IP Shing-hing, Simon Former President, Law Society of Hong Kong
7.	Mr Andrew MAK Chairman, Special Committee on Mainland Affairs, Hong Kong Bar Association
8.	Mr Philip YANG Chairperson, Hong Kong International Arbitration Centre
9.	Mr P.Y. LO Bar Council Member, Hong Kong Bar Association
10.	Mr CHENG Chung-hon, Neville Ford, Kwan & Company
11.	Ms Sharon YAU Ford, Kwan & Company
12.	Mr LO Chi-lik, Peter Woo, Kwan, Lee & Lo
13.	Mr ZHU Xuan Feng Woo, Kwan, Lee & Lo
14.	Ms LIU Lai-yun, Amanda Ho & Company, Gallant Y.T.
15.	Mr WONG Wing-cheong, Philip Ho & Company, Gallant Y.T.

16.	Mr HO Kwan-yiu Ho K.C. & Fong
17.	Ms Serena CHAN Ho K.C. & Fong
18.	Mr Richard LI Ho K.C. & Fong
19.	Mr SO Shiu-tsung, Thomas Johnson Stokes & Master
20.	Mr Larry KWOK Kwok & Yih
21.	Mr NG Siu-pang Ng & Pang
22.	Ms LAM Yuet-ming, Emily Woo & Company, P.C.
	Medical Services
23.	Dr CHOI Kin President, Hong Kong Medical Association
24.	Dr Alan LAU Vice-Chairman, Hong Kong Private Hospitals Association
25.	Dr WONG Yu-man, James Chairman, The China-Hong Kong Society for Medical and Health Care
26.	Dr CHEUNG Wai-lun Director (Cluster Services), Hospital Authority
27.	Dr POON Tak-lun Specialist in Orthopaedics & Traumatology
28.	Dr David FANG Member, The Medical Council of Hong Kong Past President, Hong Kong Academy of Medicine
29.	Dr SUN Yiu-kwong Chairman, UMP Healthcare Limited
30.	Dr SHIH Tai-cho, Louis Vice President, Hong Kong Medical Association
31.	Dr CHOW Pak-chin Vice President, Hong Kong Medical Association
32.	Dr Eugene CHAN Past President, Hong Kong Dental Association
33.	Dr Homer TSO Chairman, The Dental Council of Hong Kong
34.	Dr Vincent LEUNG President, Hong Kong Dental Association
35.	Dr Sigmund LEUNG Vice President, Hong Kong Dental Association

Construction and Related Engineering Services	
36.	Mr Edward SHEN Former President, Hong Kong Institute of Architects
37.	Mr Greg C.Y. WONG Former President, Hong Kong Institution of Engineers
38.	Mr Kenneth TO Former President, Hong Kong Institute of Planners
39.	Mr Stephen LIU Former President, Hong Kong Institute of Surveyors
40.	Mr Patrick H.T. LAU Former President, Hong Kong Institute of Landscape Architects
41.	Mr James CHIU Former President, Hong Kong Institution of Engineers
42.	Dr CHOW Ming-kuen, Joseph Former President, Hong Kong Institution of Engineers
43.	Mr POON Lok-to, Otto Former President, Hong Kong Institution of Engineers
44.	Mr HUI Man-bock, Bernard In-coming Honorable Secretary, Hong Kong Institute of Architects
45.	Mr TANG Wai-man, Tony Architect
46.	Ms Karen SEDDON Planner
47.	Mr LAM Wo-hei Architect

Part II – Professional Services Bodies

Accountancy Services

- Hong Kong Institute of Certified Public Accountants

Legal Services

- Law Society of Hong Kong
- Hong Kong Bar Association
- Hong Kong International Arbitration Centre
- Hong Kong Institute of Arbitrators

Medical Services

- Hong Kong Medical Association
- Hong Kong Private Hospitals Association
- Hong Kong Dental Association
- Hong Kong Medical Council
- Hong Kong Dental Council
- Hong Kong Academy of Medicine

Construction and Related Engineering Services

- Hong Kong Institution of Engineers
- Hong Kong Institute of Architects
- Hong Kong Institute of Planners
- Hong Kong Institute of Surveyors
- Hong Kong Institute of Landscape Architects
- Real Estate Developers Association of Hong Kong
- The Hong Kong Construction Association

Other

- Business and Professionals Federation of Hong Kong
- Hong Kong Women Professional & Entrepreneurs Association
- The Chinese General Chamber of Commerce
- The Chinese Manufacturers' Association
- The International Chamber of Commerce - Hong Kong, China
- Federation of Hong Kong Industries
- Hong Kong General Chamber of Commerce

**Economic Summit on
“China’s 11th Five-Year Plan and the Development of Hong Kong”**

**Focus Group on
Professional Services, Information, Technology and Tourism**

**Final Report of the Sub-group on
Innovation, Technology and Information Services**

Background

At the Economic Summit on “China’s 11th Five-Year Plan and the Development of Hong Kong” held on 11 September 2006, the Focus Group on Professional Services, Information, Technology and Tourism (“the Focus Group”) decided to set up three sub-groups, including the Sub-group on Innovation, Technology and Information Services (“the Sub-group”), to conduct in-depth discussion on the relevant topics. Commissioned to deliberate and formulate strategic proposals and directions for follow-up actions, the Sub-group is responsible for providing specific proposals to facilitate the Focus Group to submit a practicable and workable action agenda to the Chief Executive. This report sets out the result of the discussions and proposals of the Sub-group.

Progress of Work

2. The Sub-group comprises a total of 18 members from the relevant industries, R&D institutions and the tertiary education institutes. The membership list is at Annex 1. The Sub-group convened four meetings on 9 October, 16 October, 23 October and 27 November respectively.

3. The Sub-group members had active discussions on how Hong Kong should further promote the development of innovation, technology and information services, with a view to strengthening Hong Kong’s position as an international finance, trading and shipping centre and preparing for the opportunities and challenges brought forth by the national 11th Five-Year Plan. A number of strategic proposals were suggested.

Strategic Proposals

4. Consolidating the views of members, the Sub-group suggested the following nine strategic proposals relating to innovation and technology,

information services and technology talents:

Innovation and Technology

- (1) Hong Kong is equipped with a wide range of infrastructure facilities to support the development of innovation and technology. These include the Applied Science and Technology Research Institute, Science Park, Cyberport, Wireless Development Centre and the recently established Research and Development (R&D) Centres. The Government of the Hong Kong Special Administrative Region (HKSARG) should enhance their role in technology transfer. Targeting at the development needs of the Mainland, these technological infrastructure facilities should strengthen the transfer of technologies and intellectual property rights to the Mainland through various means including commercialization of R&D results, exploration and re-development of enabling technologies with development potential, and integration of technologies. Meanwhile, the existing incubation programmes for technology start-ups should be further promoted.
- (2) Hong Kong should develop deeper and more extensive collaboration with the Mainland, in particular the Guangdong Province and the Shenzhen Municipality, in areas with common interest and potentials for cooperation. These include information and communications, biomedicine, logistics, automobiles and new materials. The governments of both sides should proactively facilitate exchange of talents and academia as well as technology collaboration, thus providing a communication channel for R&D institutions and professional bodies, encouraging industry interaction as well as initiating extensive collaboration.
- (3) 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 so as to facilitate the local industry to keep conversant with the development in the relevant fields in the Mainland. Focus areas include cross-boundary business transactions, multi-media products, DigiHome, digital television, radio frequency identification (RFID), Audio Video coding Standard (AVS) and WLAN Authentication and Privacy

Infrastructure (WAPI).

- (4) 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 R&D institutions. Combining the complementary strengths of the two places, the governments of both sides should actively promote the two places as a world-class regional hub for technology activities to the international community.

Information Services

- (5) The animation industry, in which Hong Kong possesses many advantages and competitive edges, is one of the focus areas for priority development under the national 11th Five-Year Plan. To capitalize on the opportunities, Hong Kong should link up with the Mainland market and actively promote the services and products of the local animation industry. Hong Kong should also leverage on its technologies, marketing experience and relevant services to help promote China’s animation products to the global market. As a first step, Hong Kong can work with Shenzhen to include animation as a cooperation initiative under the “Shenzhen-Hong Kong Innovation Circle”.
- (6) With numerous conditions conducive to the development of data service, including a stable and secured network, low-cost and reliable telecommunications service as well as state-of-the-art information infrastructure and a sound legal system, Hong Kong should actively promote these advantages overseas 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 install the relevant equipment or facilities in industrial premises without requiring them to make special application or pay additional fees.
- (7) Harnessing our existing infrastructure, Hong Kong can ally with Shenzhen as a pilot area to establish a quality and reliable cross-boundary broadband infrastructure for providing e-commerce and digital content transmission services on a business-to-business basis across the boundary. With the

aforesaid proposal of developing data service, it is envisaged that Hong Kong can develop into a regional outsourcing hub for large-scale multinational enterprises, providing seamless data networking support, stable and reliable data storage and one-stop global business support services.

- (8) Hong Kong has developed many successful products and services on the information services front, including smart cards, airport operating system, 3G, etc. Hong Kong should proactively introduce local projects with potential or relevance to the national “11th Five-Year Plan” to the Mainland.

Technology Talents

- (9) The HKSARG should strive to strengthen the coordination of policies and measures relating to talents so as to ensure that there are adequate technology talents and ideas to support the long-term technology development in Hong Kong. To meet Hong Kong’s development needs, the HKSARG should attach priority on attracting talents both inside and outside the territory by lowering the requirements of the admission schemes for talents and enhancing supportive measures (e.g. to improve living environment and provide allowance) so that talents are willing to stay in Hong Kong. Meanwhile, the HKSARG should continue to boost the development of local technology industries, thereby driving more people to devote themselves to the relevant industries through market demand. Besides, the HKSARG should consider measures to facilitate immigration clearance for technology professionals who have to travel frequently between Hong Kong and the Mainland in a bid to enhance technology collaboration between the two places.

Nurturing talent is a long-term issue. Beginning with education, the HKSARG should enhance the research capability of universities, increase support for fundamental research in core areas and expand the post-doctoral system in order to offer opportunities to talents who have aspirations towards research work. At the same time, degree or non-degree courses on technology management should be organized, focusing on the nurture of cross-discipline professionals who can master technology know-how and have insight into market demand. Moreover, the HKSARG should hold more youth exchange activities in Hong Kong and in collaboration with Mainland

provinces, such as courses in technology and national studies. Senior government officials should also be more proactive in promoting innovation and technology to the public.

Action Agenda

5. The Sub-group proposed to include in the Action Agenda four of the above strategic proposals, i.e. to participate proactively in the process of the development and formulation of product standards in the Mainland (Proposal 3); to establish closer collaboration with Shenzhen (Proposal 4); to promote Hong Kong as the key data centre in the region (Proposal 6); and to establish cross-boundary broadband infrastructure with Shenzhen for providing e-commerce and digital content transmission services on a business-to-business basis (Proposal 7). The proposed concrete measures and implementation schedule of each proposal are set out in the draft “Action Agenda” at Annex 2. When considering these proposals, the Sub-group mainly took into account the following five principles:

- achievements can be attained within a short period;
- higher added value to the relevant industries can be generated;
- efforts at the government level are necessary;
- the benefits are sustainable; and
- conducive to the development of both the Mainland and Hong Kong.

6. Though the remaining four proposals, i.e. to promote technology transfer and commercialization of R&D results (Proposal 1); to develop deeper and more extensive exchange and technology collaboration with the Mainland (Proposal 2); to promote the services and products of the local animation industry (Proposal 5); and to introduce local information services projects to the Mainland (Proposal 8), are not included in the “Action Agenda”, they will be taken forward jointly by the relevant government departments and industry bodies.

7. As for the proposal on technology talents (Proposal 9), given that talent is an issue of common concern for various focus groups, the Focus Group on Commerce and Trade of the Economic Submit has set up a sub-group to study the issue. The proposal on technology talents has been passed to that sub-group for follow up.

8. In addition, when the Focus Group on Professional Services, Information, Technology and Tourism discussed the Sub-group’s proposals, Members suggested that in order to support the development of technology

industries, the HKSARG should consider investing in emerging technology companies with good potential through professional fund management firms. The Focus Group noted that the Government set up an Applied Research Fund (ARF) with an injection of \$750 million in 1993 and has engaged fund management firms in making investments since 1998. However, the ARF has ceased making new investment following a review in 2005. The Focus Group considered that short-term financial return should not be the only consideration in making venture investments, as such investments could bring about positive externalities such as promoting employment and industry upgrading. The Focus Group suggested that the HKSARG should consider re-activating the ARF to support the development of emerging technology companies. The Innovation and Technology Commission will follow up this proposal.

Conclusion

9. The Sub-group considered that, in order to be an international finance, trading and chipping centre, Hong Kong must ensure that there is complementary development in the innovation, technology and information sectors to enhance Hong Kong's competitiveness in these three areas. Given the strong emphasis on autonomous innovation and upgrading the overall hi-tech capability and technology level of the industry in the national 11th Five-Year Plan, the HKSARG and the Hong Kong industry should grasp the opportunities and strive to foster closer exchange and collaboration with the Mainland. This would help consolidating the complementary strengths of the two sides, enhance overall competitiveness in the international arena and promote the economic development in the Mainland and Hong Kong.

Sub-Group on Innovation, Technology and Information Services
19 December 2006

**Sub-group on Innovation, Technology and Information Services
Membership List**

1. Mr Jack So (Convenor) Deputy Chairman and Group Managing Director
PCCW Ltd
2. Mr Peter Woo Chairman
Wheelock & Co Ltd
3. Dr Patrick Wang CEO and Chairman
Johnson Electric Holdings Ltd
4. Prof Richard Wong Deputy Vice-Chancellor
The University of Hong Kong
5. Mr Hurbert Chan Chairman
Communications Association of Hong Kong
6. Mr John Chiu Chairman
Hong Kong Wireless Technology Industry
Association Ltd
7. Mr John Chu Chairman & CEO
Centro Digital Pictures Ltd
8. Prof Paul Chu President
Hong Kong University of Science and Technology
9. Mr Paul Chow Chief Executive
Hong Kong Exchanges & Clearing Ltd
10. Prof Nancy Ip Director
Biotechnology Research Institute
Hong Kong University of Science & Technology
11. Mr Sunny Lee President
Hong Kong Computer Society
12. Dr York Liao Chairman
Board of Directors
Nano and Advanced Materials Institute Ltd
13. Mr Daniel Ng President
Hong Kong Information Technology Federation Ltd

14. Dr Samson Tam
Deputy Chairman
Hong Kong Productivity Council
15. Dr Allan Wong
Chairman
Hong Kong Applied Science and Technology
Research Institute Company Ltd
16. Prof Wong Kam-fai
Director
Centre for Innovation and Technology
Chinese University of Hong Kong
17. Dr Wu Liang-tai
Executive Vice President, Emerging Technology
PCCW Ltd
18. Mr Norman Yuen
Deputy Managing Director
CITIC Pacific Communications Ltd

Action Agenda of the Sub-group on Innovation, Technology and Information Services

	Strategic Proposals	Proposed Concrete Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Action Organizations	Remarks
	<p><u>Innovation and Technology:</u></p> <p>(i) 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, digital television, radio frequency identification (RFID), Audio Video coding Standard (AVS) and WLAN Authentication and Privacy Infrastructure (WAPI).</p>	<ul style="list-style-type: none"> The HKSARG should discuss the cooperation plan with the relevant Mainland authorities (e.g. Ministry of Information Industry) as soon as possible and arrange Hong Kong enterprises, R&D institutions and experts to participate in the formulation process of the relevant national technology and product standards, with a view to facilitating the industries to understand the key points of various standards in the Mainland at an early stage to harness the opportunity of business cooperation and development. To employ Hong Kong's R&D strength and marketing experience to provide assistance to the Mainland in the formulation process of standards. 	<p>To discuss and formulate cooperation plan with the Ministry of Information Industry in early 2007</p> <p>On-going</p>	<p>Commerce, Industry and Technology Bureau</p> <p>Commerce, Industry and Technology Bureau</p>	<p>–</p> <p>–</p>	<p>–</p> <p>–</p>

	Strategic Proposals	Proposed Concrete Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Action Organizations	Remarks
	(ii) 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 two governments should actively promote the two places as a world-class regional hub for technology activities to the international community.	<ul style="list-style-type: none"> • The HKSARG should sign a cooperation agreement with Shenzhen to strengthen technology cooperation, including establishing a mechanism for regular communication, fostering exchange in expertise and information, jointly supporting R&D projects, effectively utilizing the existing technology platform, facilitating immigration clearance for R&D personnel, as well as enhancing cooperation between science and technology parks and intermediary service organizations. • The HKSARG and various community sectors should actively promote the competitive advantages of Shenzhen and Hong Kong on technology in appropriate occasions. 	<p>To sign the cooperation agreement in early 2007</p> <p>On-going</p>	<p>Commerce, Industry and Technology Bureau</p> <p>Commerce, Industry and Technology Bureau</p>	<p>–</p> <p>Various industry associations of the relevant industries, technology institutions and tertiary institutes</p>	<p>–</p> <p>–</p>

	Strategic Proposals	Proposed Concrete Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Action Organizations	Remarks
	<p><u>Information Service:</u></p> <p>(iii) Hong Kong should actively promote overseas its numerous conditions which are conducive to the development of data service, including a stable and secured 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 install the relevant equipment or facilities in industrial premises without requiring them to make special application or pay additional fees.</p>	<ul style="list-style-type: none"> The HKSARG should review the existing land policy as soon as possible to allow the operation of emerging industries such as telecommunications and information technology in industrial premises. The service providers should not be required to apply for change of land uses for installation of the relevant equipment or facilities and land premium should be replaced by rental, thereby coping with the growing demand for the service of data centre. 	<p>To conduct the review in 2007</p>	<p>Commerce, Industry and Technology Bureau</p>	<p>–</p>	<p>–</p>
	<p>(iv) Harnessing our existing infrastructure, Hong Kong can ally with Shenzhen as a pilot area to establish a quality and reliable cross-boundary broadband infrastructure for providing e-commerce and digital content transmission services on a business-to-business basis across the boundary.</p>	<ul style="list-style-type: none"> The HKSARG should explore with Shenzhen to integrate the existing network facilities into a backbone network covering technology and commercial aspects, thereby allowing users of both places to conduct e-commerce and digital content transmission by connecting to the backbone network. 	<p>To start discussion with the Shenzhen authorities in 2007 with a view to drawing up specific measures as soon as possible</p>	<p>Commerce, Industry and Technology Bureau</p>	<p>–</p>	<p>–</p>

	Strategic Proposals	Proposed Concrete Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Action Organizations	Remarks
		<ul style="list-style-type: none"> To extend the mode of operation of the cross-boundary broadband network to Guangdong Province and other Mainland areas where appropriate. 	To further examine the proposal after having regard to the progress of the proposed Shenzhen-Hong Kong cross-boundary broadband network	Commerce, Industry and Technology Bureau	-	-

**Economic Summit on
“China’s 11th Five-Year Plan and the Development of Hong Kong”**

**Focus Group on
Professional Services, Information, Technology and Tourism**

Final Report of the Sub-group on Tourism

Objective

This report is to put forward proposals for further promoting the development of Hong Kong’s tourism based on the discussions about tourism development at the Economic Summit on the 11th Five-Year Plan and the Development of Hong Kong (Economic Summit) as well as subsequent meetings of the Focus Group and the Sub-group on Tourism. The proposals mainly address the issue as to how best the local tourism industry can meet the challenges and grasp the opportunities brought about in the 11th Five-Year Plan in the area of tourism development, in order to further enhance co-operation with the Mainland in the field of tourism, promote sustainable development of tourism in Hong Kong, consolidate the status of Hong Kong as a premier tourist destination in the region, and support Hong Kong’s development in such fields as international finance, trade and shipping.

Tasks of the Sub-group on Tourism

2. Formed under the Focus Group on the Professional Services, Information & Technology and Tourism of the Economic Summit, the Sub-group on Tourism is mainly responsible for discussing and following up the HKSAR Government’s proposals on tourism at the Economic Summit held on 11 September 2006, and also formulating the corresponding Action Plan to be submitted to the Focus Group for consideration. The Sub-group on Tourism is broadly represented, with Mr. Jackie Wong being its Convenor and members from the tourism industry and related sectors, including the hotel, catering and retail trades, airlines and the academia (membership list at Annex I). Apart from discussions of the Supgroup, the Subgroup also collects stakeholders’ views through its

members. The Tourism Commission (TC) has also arranged relevant issues for discussion under the Tourism Strategy Group and written to tourism and related trade associations to solicit their views. Summary of views collected are at Annex II.

3. The proposals contained in this Report are based on the Economic Summit's recommendations on tourism development with the Subgroup's discussions and stakeholders' views incorporated. In considering the views, the Subgroup focused on practical proposals that were closely related to the Mainland with a view to promoting sustainable development of tourism on both sides.

4. In formulating the proposals, the Subgroup has considered the current profile of the tourism industry in Hong Kong, the experience of co-operation with the Mainland as well as major challenges ahead.

Background

Overview of Hong Kong Tourism

5. Hong Kong has developed into a mature tourist destination over the years, with both its hardware (including aviation network, city infrastructure and tourist attractions) and supporting software (including the quality of services and management, hotel accommodation, dining and shopping) having reached world-class standards. As the trendsetter in various fronts such as fashion, dining, electrical appliances and technology products, Hong Kong attracts visitors of all kinds to come here for shopping and sightseeing. With a prime location and world-class transportation network of air, land and marine, Hong Kong is readily accessible to visitors from all corners of the world. In addition, Hong Kong is committed to facilitating entry/exit of visitors. Currently, nationals of some 170 countries are allowed visa-free visits to Hong Kong for periods ranging from 7 to 180 days. These are our strengths in the promotion of tourism.

6. Over the past few years, visitor arrivals have hit new record, coupled with encouraging figures of total expenditure by tourists. In 2005,

visitor arrivals continued to increase to 23 million, increased by 7% when compares to 2004. The expenditure associated with inbound tourism amounted to HK\$100 billion. The growth was mainly led by the good performance of overseas markets. Conventional long haul markets including Europe, the Americas, Australia and New Zealand all recorded a double-digit growth. The Mainland was the largest visitor source market for Hong Kong, with more than 12.5 million arrivals or 54% of the total visitor arrivals in 2005. In the first three quarters of 2006, total visitor arrivals rose by 9.5% to 18.57 million, while Mainland visitor arrivals recorded a growth of 11.1% to 10.2 million.

Co-operation with the Mainland

7. Recent years have seen booming tourism in the Mainland. In 2005, China received 46.8 million inbound overnight tourists and earned US\$29.3 billion in foreign exchange. These made China rank fourth and sixth respectively in the world. In respect of domestic tourism, the Mainland has become the largest domestic tourism market in the world. The number of domestic tourists stood at more than 1.2 billion in 2005, generating an income of RMB 528.6 billion yuan or 69% of the country's total tourism receipts. Thriving domestic tourism has given domestic demand a major boost, stimulated consumption and led the development of related industries. As for outbound tourism, Mainland China is emerging rapidly as a new source of tourists. The growth of China's outbound tourism has far exceeded the world's average. China is now the largest source market of outbound visitors in Asia. According to the World Tourism Organisation, the number of visitors worldwide totalled 800 million in 2005, up 18% from 2000. The statistics of the China National Tourism Administration (CNTA) indicate that more than 31 million Mainland residents travelled abroad in 2005, a rise of more than 196% over 2000.

8. Hong Kong and the Mainland are the primary visitor source market to each other. With the geographical proximity between Mainland and Hong Kong, and rapid economic and social development of the Mainland, co-operation and exchange between the two places in various areas including tourism has become more and more important. Under the

Mainland and Hong Kong Closer Economic Partnership Agreement (CEPA), the Individual Visit Scheme (IVS) was first introduced in four Guangdong cities in July 2003. The number of Mainland cities covered by the Scheme will increase to 49 on 1 January 2007. The IVS has become increasingly popular. In the first three quarters of 2006, the number of Mainland visitors travelling to Hong Kong under the Scheme reached some 5 million, accounted for nearly 49% of the total Mainland visitor arrivals, an increase of 23% over the same period last year.

9. Hong Kong is an important gateway to China. In 2005, nearly 4 million overseas visitors (including business and leisure visitors) entered the Mainland via Hong Kong. In 2006, significant breakthroughs have been achieved in many areas following the review of the Air Services Arrangement with the Chinese Mainland (the Arrangement). Under the Arrangement, the number of air routes between Hong Kong and Mainland cities will increase from 11 to 56, covering most major cities and tourist hot spots in the Mainland, e.g. Xishuangbanna, providing more visitors with direct flights to and from Hong Kong.

10. Joint development and promotion of “multi-destination” itineraries is a major area of tourism co-operation between the HKSAR and the Mainland. The “Guangdong, Hong Kong and Macau Tourism Marketing Organisation” was established back in 1993 to provide systematic promotions of tourist attractions in the Pearl River Delta (PRD) region to overseas markets, and to develop thematic “multi-destination” itineraries (e.g. dining, golfing, leisure and entertainment) for different markets and visitor groups. We support the extension of the co-operation framework on “multi-destination” itineraries to other provinces and cities.

Challenges in Co-operation with the Mainland in Tourism Development

Challenges - External Factors

11. Mainland visitors as a source market has an important impact on the development of tourism in Hong Kong. As the Mainland steps up its efforts to develop tourism, Hong Kong is faced with many challenges.

Firstly, Mainland as our largest visitor source market, Hong Kong has to compete with various Mainland provinces and cities for visitors as domestic tourism develops quickly in the Mainland, because domestic travel may be more preferable for first-time travellers in the Mainland. In 2005, the number of domestic tourists in the Mainland reached 1.21 billion, up about 10% from 2004. The domestic tourism market is expected to grow further in 2006. Meanwhile, the Mainland has granted more places with “Approved Destination Status”, providing more choices for the Mainland residents. As at March 2006, the number of countries and regions granted “Approved Destination Status” by the Mainland authorities reached 81, a significant increase over 2000 when only 14 countries/regions were approved destinations. Many other tourist destinations want to tap into the huge visitor source market in China. Many countries and places in the world have endeavoured to develop tourism by actively developing tourism infrastructure and organizing large-scale promotional activities. We believe that this trend will continue in future. With the introduction of direct flights from a number of overseas destinations to Mainland cities, the competition will become more intense. Moreover, with the continuous development of tourism in the Mainland, some places or cities such as Shanghai and Shenzhen may emerge as Hong Kong’s competitors in attracting overseas visitors.

12. China’s booming economy will also give rise to a continuous increase in direct flight service between the Mainland and overseas destinations. In the long run, Hong Kong’s role as an aviation interchange to the Mainland will be fading. How to secure for Hong Kong the status of a must-visit destination on overseas visitors’ route to China is a major challenge to us.

Challenges - Internal Factors

13. On the regulation of tourism service quality, we rely on a statutory licensing scheme to regulate travel agents offering inbound and outbound travel services, to be complemented by the day-to-day regulatory mechanism carried out by the self-regulatory body, the Travel Industry Council of Hong Kong (TIC). To ensure that inbound tour guides’ qualifications and services reach certain standards, the TIC fully

implemented the “Tourist Guide Accreditation System” in July 2004, under which a tour guide is required to pass an examination upon completion of relevant training before he receives a “Tourist Guide Pass”. Travel agents are required to employ tour guides who hold valid “Tourist Guide Pass”.

14. Recently, the business malpractices in the local market arising from “zero-fare” or “negative-fare” tours from the Mainland has aroused public concern in the local market. We welcome and fully support our country’s policy of “Honest & Quality Tourism”, so as to combat these malpractices in the market and enhance group tour visitors’ confidence in Hong Kong’s tourism. Separately, to sustain its tourism development and attract more visitors, it is essential for Hong Kong to keep up its efforts in presenting new tourist attractions and products.

Proposals

15. Despite the geographical proximity, Hong Kong and the Mainland vary in many areas such as social environment and cultural activities, which can complement the strengths of each other to make the best use of our competitive advantages. We therefore consider it important for Hong Kong to strengthen its co-operation and competition relationship with the Mainland and explore collaborative opportunities to gain more benefits from complementing each side’s strengths and achieving a win-win situation. To strengthen the co-operation and competition relationship between the two sides, the Subgroup considers it necessary to take a three-pronged approach, i.e., to enhance cross-boundary visitor flows, promote tourism development in both sides and enhance the position of visitor source market of each other, and upgrade the quality of tourism services.

(I) Enhancing Cross-boundary Visitor Flows

(A) Transportation Network of Air, Land and Marine

16. Hong Kong is the regional hub for aviation as well as large-scale international conventions and exhibitions. To further capitalise on these existing advantages can attract more visitors to Hong Kong and help

promote tourism development in the Mainland. The Subgroup therefore considers that Hong Kong must ensure sufficient infrastructure and a comprehensive transportation network of air, land and sea to make it readily accessible to visitors from all corners of the world. Specific proposals are set out as follows:

(i) **Air Transport**

Apart from a comprehensive air transport network, it is very important to maintain sufficient air traffic capacity. We can consider ways to optimise the use of Hong Kong International Airport's existing capacity. For instance, we can discuss with the Mainland authorities on increasing the number of flight routes between the two places to reduce the waiting time for flights. We can also consider attracting different visitor groups from more places in the Mainland by offering concessions to airlines (including low cost ones) as an incentive to explore new air routes and provide more diversified air services. In addition, the Subgroup considers that strengthening the sea and land transport network between the International Airport and Pearl River Delta will help attract more visitors to Hong Kong.

(ii) **Land Transport**

To maintain Hong Kong's status as the transport hub in the PRD region, we can actively co-operate with PRD cities in enhancing the supporting facilities to facilitate cross-boundary traffic. In this connection, the Subgroup proposes that discussions should be held with the Mainland authorities in improving cross-boundary railway services, e.g. increasing the frequency of Guangzhou-Hong Kong through train service, and shortening the journey from other cities to Hong Kong. All these can boost the visitor flows between the Mainland and Hong Kong.

(iii) Sea Transport

The Government has recently announced the plan of developing a new cruise terminal, and the first berth will be completed in 2012. The Subgroup reckons that the Government should go full steam ahead with the plan since the development of new cruise terminal facilities will help Hong Kong capture the growth of the cruise market in the Asia Pacific region. This is crucial to the continuous development of Hong Kong into a regional cruise hub.

(B) Clearance Policy and Supporting Measures

17. The Subgroup considers that a passenger-friendly clearance policy and supporting measures can help attract visitors to Hong Kong and enhance passenger flows, as well as consolidate Hong Kong's role of interchange for outbound Mainland visitors and overseas visitors to the Mainland. Although travellers from many places have been allowed visa-free visits to Hong Kong and the clearance procedures for Mainland visitors are streamlined as far as possible, there is still room for improvement. On the cross-boundary clearance procedures, the Subgroup proposes the following initiatives:

- (i) At present, IVS visitors are allowed visa-free visits to Macau via Hong Kong. Hong Kong should secure similar visa-free arrangements from the Mainland, i.e. allowing IVS visitors to enter Hong Kong visa-free via Macau;
- (ii) The Government should consider discussing with the Mainland on allowing approved Mainlanders to travel abroad via Hong Kong under a pilot scheme (e.g. to be first launched in Guangdong province). This will help Hong Kong travel agents operate outbound tours via Hong Kong for Mainland visitors;
- (iii) Consideration can be given to introducing more user-friendly entry visas to facilitate overseas visitors

entering both the Mainland and Hong Kong. For instance, to encourage overseas visitors to the Mainland to travel between the Mainland and Hong Kong, overseas visitors holding Mainland visas can travel between the two places without an additional visa. This initiative will help promote the mode of “multi-destination” itineraries travel and facilitate business visitors’ duty visits and excursions between the two places; and

- (iv) In the long run, the Government should work with the Mainland authorities in streamlining the clearance procedures. Upon the implementation of co-location of boundary crossing facilities at the Shenzhen Western Corridor, consideration can be given to extending the co-location arrangement to other control points, so as to shorten the waiting time for entry/exit clearance and entice Mainlanders to visit Hong Kong.

(II) Promoting Tourism Development in the Two Places

(A) Multi-destination Itineraries

18. Many provinces and cities in the Mainland are rich in tourism resources but vary in their pace of developing tourism hardware and software. Individual provinces wish to promote the development of such hardware and software with funds and management experience from Hong Kong, thereby boosting the overall development of tourism. Given Hong Kong’s experience and strengths, as well as the rich resources and attractions of different regions, provinces and cities in the Mainland, Hong Kong can co-operate with the Mainland in designing thematic “multi-destination” itineraries and organising related overseas promotion activities to provide more choices for both overseas and Mainland visitors within the region, catering to their diverse needs and interests. Looking beyond the PRD region, the Pan-PRD region also has great potential for development. With the Pan-PRD region catching up in tourism development, the development and promotion of tourism products related to “multi-destination” itineraries will stand to benefit.

19. The Subgroup proposes that Hong Kong should liaise and co-operate with more Mainland provinces and cities. In the light of the rapidly developing visitor segments in Guangdong and new tourism facilities to be completed in Macau next year, Hong Kong can enhance co-operation with these two tourist destinations through the existing “Guangdong, Hong Kong and Macau Tourism Marketing Organisation” to jointly promote thematic “multi-destination” itineraries that target overseas markets. The Subgroup also proposes that this framework should be further extended to other provinces in the Pan-PRD region where customised “multi-destination” itineraries complemented by Hong Kong’s attractions can be jointly promoted in target markets. The Hong Kong Tourism Board (HKTB) should continue to organise experience sharing sessions for Hong Kong and Mainland stakeholders to provide a platform for communication and exchange. At the same time, the HKTB should target more specifically at incentive travel to create more business opportunities for local and Mainland tourism industry and therefore achieve a win-win situation.

(B) Grasping Opportunities Presented by CEPA

20. CEPA has created numerous business and development opportunities for Hong Kong. The Subgroup considers that the tourism industry should be encouraged to grasp the opportunities arising from the new measures under CEPA, such as tapping into the Mainland market by operating “Hong Kong and Macau Tours” in Guangdong under a pilot scheme so as to present Hong Kong’s tourism industry as a professional benchmark to the industry in the Mainland, strengthening exchange, and offering more diversified and special tourism products for Mainland visitors. These can provide consumers with a wider choice. All these will lead to healthy competition that benefits the operation of Mainland tourism market. The Subgroup reckons that the next step should be securing the permission for Hong Kong travel agents to operate outbound group tours for Mainlanders under a pilot scheme (e.g. to be first launched in Guangdong), so that our strengths and experience will be given fuller play. This will help create more business opportunities for local stakeholders as well as bring about competition to their Mainland

counterparts and better development of outbound tourism in the Mainland. The Subgroup also considers that further extension of the IVS to more Mainland cities and strengthening promotions to previously and newly joined IVS cities will help enhance deeper understanding of Hong Kong among Mainland visitors and attract more visitors to Hong Kong.

(III) Upgrading Service Quality of Both Sides

(A) Human Resources Development

21. The Subgroup is of the view that Hong Kong should strengthen co-operation with the Mainland in arranging more exchanges of talent to assist Mainland's tourism industry, including hotel and catering trades, in developing their human resources so as to upgrade the quality of their tourism services. Apart from making full use of the schools of hotel and tourism management under two local universities in organising more training courses and exchanges in Hong Kong and the Mainland, we can arrange exchange programmes for serving practitioners to gain more exposure in hotels and travel agents in the two places (e.g. a pilot exchange programme for tour guides from Guangdong to Hong Kong). The Subgroup also proposes the admission of Mainlanders who are fluent in foreign languages such as Russian and Spanish to provide professional translation service for the tourism industry, which can effectively alleviate the manpower shortage in this area in Hong Kong.

(B) Supporting and Facilitating Mainland's Policy of "Honest & Quality Tourism"

22. The Subgroup reckons that the HKSAR Government and the local industry should actively support the China National Tourism Administration's (CNTA) policy of "Honest & Quality Tourism" to improve the overall quality of tourism services and foster the sustainable development of tourism in Hong Kong and the Mainland. Proposed initiatives are as follows:

(i) Promoting “Quality Tours”

To support further co-operation with the Mainland in publicising and implementing the “Honest & Quality Tourism” and the “Quality Tourism Services” (QTS) Scheme, and to set up “Honest and Quality Hong Kong Tour” counters by some reputable travel agents to promote “Honest and Quality Hong Kong Tour” so that Mainland visitors will gain greater satisfaction in Hong Kong tours, coupled with the design of high quality tourism products for the benefit of consumers in cities newly opened to the IVS. The HKTB should continue its efforts in active co-operation with the tourism authorities and travel agents in major cities such as Beijing, Shanghai and Guangzhou to develop high quality Hong Kong tours that offer better protection for tourist rights. These first-tier cities will serve as a leader to other places in the Mainland.

(ii) Educating Consumers

To promote consumer education in second-tier Mainland cities with great potential. For group tour service, the TIC’s “14-Day 100 Percent Refund Guarantee Scheme” and QTS Scheme as well as information on complaint channels to consumers through the local news media should be publicized. The HKTB should continue to co-operate with Public Security Bureaux in IVS cities to disseminate publicity information on consumer protection at the Bureaux of Exit and Entry Administration, and with the Mainland tourism authorities and media to carry out practical consumer protection education through various effective platforms.

(iii) Increasing Market Transparency

To support the CNTA’s introduction of model contract to increase the transparency of itineraries and items of expenditure for Mainland group tours.

(iv) Imposing Heavier Punishment

To support the TIC in imposing heavy punishment and taking action to unqualified or non-compliance of travel agents and tour guides in strict enforcement of related requirements and penalties.

(v) Reviewing the Monitoring System

To support the TIC's early review of the existing regulatory mechanism and TIC's consideration of inviting members from different sectors to take part in the mechanism.

(IV) Enhancing Local Tourism Facilities and Promoting Human Resources Development

23. Meanwhile, Hong Kong needs to continuously upgrade itself to keep pace with the times. Only in so doing can Hong Kong consolidate its status as the premier tourist destination in the region. The Subgroup reckons that we must keep on improving our tourist attractions and supporting facilities as well as upgrading our human resources development to meet the needs of tourism development.

24. Tourist Attractions: The Subgroup considers it necessary for Hong Kong to develop more tourist facilities such as cruise terminal and cultural sites, and also to enhance the existing ones so as to attract new visitors and entice repeated visits and establish firmly Hong Kong's status as Asia's world city. We should also consider offering more evening programmes, e.g. cultural and arts shows. The Government should take into account the needs of tourism development when examining the overall cultural and arts policy. It is hoped that the West Kowloon Cultural District project will be implemented as soon as possible to stimulate further development of tourism.

25. Supporting Facilities for Tourism: Compared to neighbouring cities, the rates of accommodation charged by hotels in Hong Kong are relatively higher, and the rates will go up when demand exceeds supply. While this

reflects the functioning of normal market mechanism, the Subgroup considers that encouraging developers to construct hotels of different classes to increase hotel supply and choices will enhance Hong Kong's competitiveness in the long run. The Subgroup proposes that the Government should continue to improve the supporting facilities (e.g. coach alighting and boarding bays, toilets, and facilities for the elderly and the disabled) for the convenience of visitors at tourist spots.

26. Local Talent: The Subgroup proposes that to support the development of diversified tourism products in Hong Kong, we should provide tour guides with relevant continuing education courses, including those on heritage tourism and green tourism, so that they can keep abreast of the development in professional knowledge and service standards. In addition, the concerned continuing education courses should also cover training for tour guides to improve their communication skills so that they can handle visitors in better ways. The Subgroup also proposes that more efforts should be devoted to developing related training courses for Form five school-leavers who intend to engage in tourism. After completing the courses, they can sit for examinations for tour escort pass, tour guide pass, ticket pricing and ticketing certificate or insurance intermediary qualification before entering the tourism-related industry.

Action Plan

27. The Subgroup's Action Plan is attached at Annex III.

Sub-group on Tourism
December 2006

**Economic Summit on
“China’s 11th Five-Year Plan and the Development of Hong Kong”**

**Sub-group on Tourism
Membership**

Mr Jackie Wong	Convenor
Dr Michael Chan	Chairman, Café De Coral Holdings Limited
Mr Cheang Yoon-hoong	Managing Director, Morning Star Travel Service Ltd
Mr Dane Cheng	General Manager Corporate Communication, Cathay Pacific Airways
Ms Clara Chong	Executive Director, Hong Kong Tourism Board
Mr Ronnie Ho	Chairman, Travel Industry Council of Hong Kong
Prof Lee Kam Hon	Director, School of Hotel and Tourism Management, CUHK
Mr Paul Leung	Convenor, Inbound Committee, Travel Industry Council of Hong Kong
Mr Brian Li	Chairman, Quality Tourism Services Association
Mr Michael Li	Executive Director, The Federation of Hong Kong Hotel Owners
Mr Lo Sui On	General Manager, China Travel Services (HK) Ltd
Mr James Lu	Executive Director, Hong Kong Hotels Association
Mr Charles Ng	Chairman, Hong Kong Inbound Tours Operators Association Ltd

Mr Wing Wong Chairman, Hong Kong Association of Registered Tour Co-ordinators

Mr Yeung Koon Yat Managing Director, Forum Restaurant

In attendance

Hon. C Y Leung Convenor, Focus Group on Professional Services, Information & Technology and Tourism

Miss Au King-chi Commissioner for Tourism

Ms Maisie Cheng Deputy Commissioner for Tourism

Ms Kinnie Wong Assistant Commissioner for Tourism

Miss Christina Chong Senior Administrative Officer (Tourism) (Secretary)

**Sub-group on Tourism
Views of the Tourism Industry
(Translation)**

Views of the Industry

The Secretariat received a total of 9 submissions from the hotel, airlines, tour guide, academic research, tourism marketing, retail, service and management sectors. For ease of reference, the Secretariat collated and analysed the views which are now grouped under the following headings:

(1) Planning New Tourism Facilities and Enhancing Existing Attractions

- To accelerate the construction of a cruise terminal with comprehensive infrastructure to let passengers gain the best possible travel experience, co-operate with neighbouring ports and the Mainland in planning regional cruise itineraries, streamline the clearance procedures of entry/exit and secure for Hong Kong the status as a cruise hub in Asia. (The Chinese University of Hong Kong (CUHK) + Hong Kong Tourism Board (HKTB) + Hong Kong Retail Management Association (HKRMA)).
- To improve the air traffic controls over aviation network, provide sufficient supporting transport facilities and reduce flight queuing time, so as to develop Hong Kong into a global aviation hub. (Federation of Hong Kong Hotels Owners Ltd. (FHKHO) + Board of Airline Representatives (BAR)).
- To expand the existing capacity of the Hong Kong International Airport (BAR).
- To upgrade the sightseeing facilities in the Victoria Harbour. To complement the planned development of a cruise terminal, hotel zone, sightseeing platform and cross-boundary helipad at Kai Tak, it is proposed that an observation Ferris wheel be built at Kai Tak to enhance the tourism potential of the Victoria Harbour. It is also

proposed that a dedicated harbour tour pier and travel helipad be provided at the waterfronts (HKTB).

- Heritage tourism. To explore the tourism potential of war sites or buildings with historical and cultural features and the possibility of developing them into tourist attractions, e.g. converting air-raid shelters (near Queen's Road East) into a thematic restaurant and/or leisure spot with its theme and design featuring the historical background, ambience and inherent characteristics (HKTB/HKRMA).
- Green tourism. The HKTB is committed to promoting tourism treasures less well known in Hong Kong, e.g. offering Nature Kaleidoscope guided tours and compiling the pamphlet "Discover Hong Kong Nature". To complement these tasks, it is proposed that the HKTB co-operate with the Agriculture, Fisheries and Conservation Department in sponsoring an annual international hiking event in Hong Kong (HKTB).
- Tourism development in South Lantau. With the completion of a number of tourism facilities on Lantau Island, the development of local infrastructure or facilities can help further develop the tourist attractions in their vicinities. The proposed infrastructure and initiatives include introducing the private car quota system (day pass) to allow private cars to enter South Lantau to travel between Mui Wo and Tai O (by vehicular ferries); developing cow farms in Mui Wo or Pui O/Cheung Sha; constructing a coastal road from Tung Chung to Tai O; and building an 18-hole golf course and resort (proposed sites including Tsing Chau Tsai and Cheung Sha) (HKTB).
- Spa and resort facilities. With reference to the consultancy study on the development of a spa and resort, we should go ahead with the construction plan, draw up a schedule of implementation, and invite developers and investors to submit letters of intent (HKTB).
- For sight attractions, consideration can be given to the following projects:

- ❑ To develop infrastructure and facilities essential for the development of cultural and arts tourism, e.g. West Kowloon Cultural District project (HKTB + HKRMA);
 - ❑ To offer more evening programmes, e.g. staging world-class shows presented by international artistes, in order to enhance the appeal of Hong Kong's cultural and arts programmes (HKTB);
 - ❑ To assist and encourage local promoters/producers to create shows or arts programmes highlighting local features to build up Hong Kong's reputation worldwide (HKTB);
 - ❑ To optimise the use of the waterfronts where promenades and thematic restaurants can be provided to enrich visitors' travel experience (HKTB + HKRMA); and
 - ❑ To provide sports facilities for the convenience of visitors so that they can engage in sports activities, e.g. golfing (HKTB).
- Passenger-friendly clearance arrangements for entry/exit. Consideration can be given to the measures of entry visas, the State Administration for Entry-Exit Inspection and Quarantine, and traffic and transport arrangements and facilities:
 - ❑ To allow visitors under the Individual Visit Scheme (IVS) visa-free visits to Hong Kong via Macau, so as to match the existing visa-free arrangements for IVS visitors to Macau via Hong Kong (HKTB);
 - ❑ At present, visitors from different parts of the Mainland coming to Hong Kong who attend special functions as a group have to apply for visas individually, causing much inconvenience to the corporations in the planning of trips (HKTB);
 - ❑ To enhance the efficiency of major boundary control points and streamline the clearance procedures on both sides (Hong Kong Hotels Association (HKHA) + Hong Kong Association of Registered Tour Co-ordinators (HARTCO) + HKRMA). An example is to provide foreigners holding single entry visa to the Mainland with a more convenient way to make a detour to Hong

Kong, such as allowing visa-free re-entry to the Mainland from Hong Kong within 36 hours (HKTB);

- ❑ To enhance the entry/exit arrangements with the Mainland, especially during the Golden Week holidays and the entry/exit for Mainland tour groups, with a view to further improving the quality of entry/exit management at various control points (CUHK);
 - ❑ To establish promptly a more tightly knitted transportation network covering air, sea and land transport, as well as the construction of roads and bridges (HKHA). In mapping out Hong Kong's overall transport blueprint, it is necessary to consult and consider the needs of the tourism industry in order to enable effective passenger clearance at the control points and thus the management of territory-wide people flow (HKTB);
 - ❑ To provide sufficient coach alighting and boarding bays and parking spaces, special accesses and routes for sightseeing/tour buses, and a common bus terminus for the use of regular group tours. One of the options is to open up a special cross-boundary access for sightseeing buses, similar to the one at the US-Canada border. We can provide baggage trolleys at land entry points, as well as transport service for children, the elderly and the disabled (HKTB);
 - ❑ To provide all the buildings at the control points with ventilation systems and appropriate temperature regulating systems (HKTB + HKRMA), and improve air quality (HKTB + HKRMA); and
 - ❑ To retrofit piers on the harbour tour itinerary with comprehensive facilities, e.g. coach alighting and boarding bays, toilets and helipads (HKTB + RTGA).
- To encourage the construction of medium to low-priced hotels or budget tourist accommodations to cater for diversified visitor groups (RTGA).
 - To improve existing tourism supporting facilities, including coach parking spaces, signages, and set up designated waiting areas for tour groups at all control points (RTGA).

(2) Tourism Promotion

- Development of “multi-destination” itineraries can help maintain the long-term competitiveness of Hong Kong and secure diversified visitor sources. Apart from the Mainland market, promotional efforts targetted at other long haul visitors should also be stepped up (RTGA). Capitalising on our strengths such as a mature international network and high quality of service, Hong Kong can form alliance with an array of special tourist attractions in the Mainland to become the first stop on the itineraries of both inbound tours to China and the Mainland’s outbound tours (CUHK).
- To liaise and co-operate with more Mainland provinces and cities. In the light of the rapidly developing visitor groups in Guangdong and new tourism facilities to be completed in Macau next year, Hong Kong can enhance co-operation with these two tourist destinations through the existing “Guangdong, Hong Kong and Macau” Tourism Marketing Organisation to jointly promote thematic “multi-destination” itineraries to target overseas markets. This framework should be further extended to other provinces in the Pan-PRD region where customised “multi-destination” itineraries complemented by Hong Kong’s attractions can be jointly promoted in target markets. The HKTb should continue to organise experience sharing sessions for Hong Kong and Mainland stakeholders, providing a platform for communication and exchange. From now on, HKTb will target more specifically at incentive travel so as to create more business opportunities for local and Mainland stakeholders and therefore achieve a win-win situation (HKTb).
- The HKTb should continue to leverage on the “Hong Kong - Live it, Love it!” marketing platform in its worldwide publicity efforts in order to keep on developing and promoting Hong Kong’s four major strengths in tourism, namely shopping, dining, metropolitan/harbour/countryside scenic views, and cultural/traditional/festive attractions. It should also endeavour to enrich and diversify local tourist attractions to maintain Hong Kong’s reputation as the “Pearl of the Orient” (HKTb + HKRMA).

- To continue to enhance Hong Kong's image and competitive edge, so as to live up to the expectations of international visitors and attract visitor groups of all kinds (HKTB), e.g. rolling out "fun-seeking" tours instead of "shopping tours" (RTGA).
- To capitalise on the opportunities arising from the Beijing Summer Olympics by joining hands with the Pan-PRD region in marketing and promoting the equestrian events to be held in Hong Kong, and encourage air, sea and land transport operators to jointly offer package tickets for the convenience of visitors to enjoy various Olympics events at different locations in China (RTGA).

(3) Creating Business Opportunities

- To expand the tourism business opportunities created by CEPA, strive to secure the opportunities for Hong Kong travel agents to operate in the Mainland outbound tours for Mainlanders and inbound tours for overseas visitors, and discuss further lowering of the admission threshold for Hong Kong travel agents to start business in the Mainland (CUHK + RTGA).
- To actively secure the permission from the Central Government for Hong Kong travel agents to operate outbound tours for Mainlanders under a pilot scheme to be first launched in Guangdong and then nationwide (HKTB + RTGA).
- To introduce more incentives to encourage hotel investment, management and operation on both sides, with a view to enhancing technical and capital exchange (HKHA).
- To facilitate bilateral commercial activities and reduce existing institutional restrictions and regulatory constraints imposed by both sides (HKHA).

(4) Exchange of Talent

- To make full use of the schools of hotel and tourism management

under two local universities in organising more training and degree courses in Hong Kong and the Mainland (CUHK + HKTB). To strengthen the training in such fields as languages and common knowledge for tour guides and other practitioners in the industry; and provide training subsidy when necessary (RTGA + HKRMA).

- To consider vigorously promoting the development of professional hotel management, one of the high value-added sectors in the tourism industry. If Hong Kong can gain a foothold in the Mainland professional hotel management sector, we can help upgrade the quality of tourism services in the Mainland (CUHK).
- To support talent and human resources development, lift restrictions on the short-term and long-term talent and human resources flow, exchange and replacement between the two places (HKHA) to enhance mutual understanding of operation (RTGA + HKRMA).
- To provide training to the Mainland industry via satellites — a more effective means of improving the quality of Mainland tourism services (FHKHO).

(5) Enhancing Tourist Protection

- Promoting “Quality Travel”

To further co-operate with the Mainland in publicising and implementing the “Honest & Quality Tourism” and “Quality Tourism Services” (QTS) Schemes, and set up “Honest and Quality Hong Kong Tour” counters by some reputable travel agents to promote “Honest and Quality Hong Kong Tour” so that consumers can easily enjoy the “one-stop service” mode of quality service protection throughout the entire journey, and Mainland visitors will gain greater satisfaction in Hong Kong tours, coupled with the design of high quality tourism products for the practical implementation of “Honest & Quality Tourism” for the benefit of consumers in cities which have joined or will soon join to the IVS (HKTB + RTGA). The HKTB should continue its efforts in active co-operation with the tourism administrations and travel agents in major cities such as Beijing,

Shanghai and Guangzhou to develop high quality Hong Kong tours that offer better tourist protection (Quality Tourism Services Association (QTSA)).

- Educating Consumers Through Publicity

To promote consumer education under the theme of “Protection for Smart Consumption” in second-tier Mainland cities with great potential, and publicise through the local news media the TIC’s “14 Days 100 Percent Refund Guarantee Scheme” and QTS Scheme as well as information on how to lodge complaints when consumers are involved in disputes over shopping, so that consumers will know how to protect their own interests in a reasonable and lawful way. The HKTB should co-operate with IVS cities’ public security bureaux to disseminate publicity information on consumer protection at the bureaux of exit and entry administration so that visitors are aware of their consumer rights in related fields. The HKTB should continue to co-operate with the Mainland tourism administrations and media in carrying out practical education on consumer protection through various effective platforms so that Mainland visitors will gain greater satisfaction from consumption in Hong Kong (HKTB). Meanwhile, it is hoped that the Mainland will actively support our publicity campaigns, and publicise consumer protection widely in different forms at entry points and popular tourist attractions (QTSA).

- Increasing Market Transparency

To increase the transparency of itineraries and items of expenditure (RTGA) for Mainland group tours in support of the introduction of model contract (QTSA).

- Imposing Heavier Punishment

To impose heavy punishment and take action to unqualified or non-compliance of travel agents and tourist guides in strict enforcement of related requirements and heavier penalties (CUHK + RTGA).

- Reviewing the Monitoring System

To review and monitor the existing measures and invite more

members from different sectors of the tourism industry to assist in reviewing, formulating and enforcing the controls (QTSA).

- Upgrading Service Standards

To upgrade the quality and customer service standards of travel agents and tour guides (CUHK + HKRMA); practitioners in the tourism industry should be provided with reasonable remuneration (RTGA).

(6) Others

- To co-ordinate the overall development of the Pan-PRD region in the next one to two decades to avoid imbalance resulting from excessive development of individual areas (HKHA).
- It is considered that the Goods and Services Tax (GST) under consultation is not beneficial to tourism development, and will undermine Hong Kong's reputation of "Shopping Paradise", create serious negative impact on the tourism and retail industries, and weaken Hong Kong's competitiveness and strengths as compared to its neighbouring regions (HKRMA); worse still, some believes that GST will be catastrophic to local tourism and severely undermine the stability and continuous development of the industry (QTSA).
- The SAR Government can consider providing the tourism and retail industries with more land to reduce their operational cost including rent, while no new legislation for minimum wage should be introduced as it will weaken the business competitiveness of Hong Kong (HKRMA).

Sub-group on Tourism

December 2006

Action Agenda for Sub-group on Tourism

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>(1) To enhance cross-boundary visitor flows</p> <p>A. To strengthen Hong Kong's role as a transportation hub by increasing supporting transport facilities</p>	<ul style="list-style-type: none"> (i) 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 item	<p>Economic Development and Labour Bureau</p> <p>Civil Aviation Department</p>		

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> (ii) 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. 	See remarks	Environment, Transport and Works Bureau	Kowloon-Canton Railway Corporation (KCRC)	<p><u>Increasing the frequency of Guangzhou-Kowloon Through Train service</u> It is a commercial decision on the part of KCRC to increase the frequency of through train service or not. The KCRC will properly adjust the frequency of through train service in the light of actual patronage.</p> <p><u>Shortening rail journeys</u> The KCRC noted that Mainland railways are undergoing a speed raising project. The journeys of through train service will be shortened upon the completion of the project.</p>
	<ul style="list-style-type: none"> (iii) 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		

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>B. To implement an entry control policy that will help enhance cross-boundary passenger flows</p>	<ul style="list-style-type: none"> 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 visitors to travel between the Mainland and Hong Kong without an additional visa in the Mainland. 	<p>Ongoing item</p>	<p>Security Bureau</p>		

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
(2) To facilitate tourism development in Hong Kong and the Mainland A. To strengthen co-operation with the Mainland in tourism promotion	<ul style="list-style-type: none"> To communicate with more Mainland provinces/cities to establish cooperation plans and to promote thematic “multi-destination” itineraries to overseas markets. 	Ongoing item		Hong Kong Tourism Board Travel Industry Council of Hong Kong Local industry	
	<ul style="list-style-type: none"> To ride on the opportunities presented by Beijing 2008 Olympics to co-operate with the Mainland in overseas promotion of “multi-destination” itineraries. 	2008	Tourism Commission	Hong Kong Tourism Board	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> To discuss with individual provinces to achieve more effective co-ordination of multi-lateral joint promotion efforts. 	Ongoing item		Hong Kong Tourism Board	
<p>B. To capitalise on the new measures under CEPA in order to create business opportunities for local tourism industry</p>	<ul style="list-style-type: none"> 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		<p>Travel Industry Council of Hong Kong</p> <p>Local industry</p>	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> 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. 	Ongoing item	Tourism Commission	Travel Industry Council of Hong Kong	
	<ul style="list-style-type: none"> 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. 	Ongoing item	Tourism Commission	Travel Industry Council of Hong Kong	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> 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. 	Ongoing item	Tourism Commission	Hong Kong Tourism Board	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
(3) To improve Service Quality in Hong Kong and the Mainland					
A. To enhance the exchange of talents with the Mainland	<ul style="list-style-type: none"> The local industry and tertiary institutions can share their experience in tourism management with their Mainland counterparts, and explore and identify opportunities for such exchanges and training activities. These efforts will help Mainland's tourism industry upgrade their service quality and their management of tourism facilities. 	Ongoing item	Tourism Commission	Local industry Tertiary institutions	
	<ul style="list-style-type: none"> To provide training for practitioners in Mainland tourism industry in order to improve the service quality. 	Ongoing item		Local industry	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> To consider the recruitment of Mainland talent who are fluent in foreign languages, such as Russian, Spanish, so as to provide professional translation service for local tourism industry. 	Ongoing item	Tourism Commission		
<p>B. 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".</p>	<ul style="list-style-type: none"> 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 item	Tourism Commission	<p>Hong Kong Tourism Board</p> <p>Travel Industry Council of Hong Kong</p>	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> To continue to enhance the “Quality Tourism Services Scheme” and expand the Scheme to cover more tourism-related trades. 	Ongoing item		Hong Kong Tourism Board	
	<ul style="list-style-type: none"> 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. 	End-2006		Travel Industry Council of Hong Kong	
	<ul style="list-style-type: none"> 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”. 	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
	<ul style="list-style-type: none"> To support the Travel Industry Council of Hong Kong (TIC) to enforce strictly existing rules and penalties stipulated so as to punish the non-compliance of travel agents and tour guides. 	End-2006		Travel Industry Council of Hong Kong	
	<ul style="list-style-type: none"> To support TIC's early review of the existing regulatory mechanisms and consider inviting members from different sectors to partake in the regulatory mechanism. 	End-2006	Tourism Commission	Travel Industry Council of Hong Kong	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
<p>(4) To enhance local tourist attractions and supporting facilities</p> <p>A. To plan new tourism facilities and improve existing attractions</p>	<ul style="list-style-type: none"> 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. 	<p>To be introduced successively in the coming years</p>	<p>Tourism Commission</p>	<p>Operators of related tourism facilities</p>	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
	<ul style="list-style-type: none"> 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. 	To be completed in phases by 2012	Tourism Commission		
	<ul style="list-style-type: none"> To explore, promote and implement thematic tourism, such as heritage tourism, green tourism, and evening cultural and arts activities. 	Ongoing item	Tourism Commission	Hong Kong Tourism Board Operators of related tourism facilities	

Strategic proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux / Departments	Relevant Organizations	Remarks
B. To provide training for local practitioners with a view to enhancing the quality of tourism services	<ul style="list-style-type: none"> 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. 	Ongoing item	Tourism Commission	Travel Industry Council of Hong Kong	
	<ul style="list-style-type: none"> To consider developing actively tourism-related training programmes for secondary five school leavers who intend to engage in tourism. 	Ongoing item		Travel Industry Council of Hong Kong	

Sub-group on Tourism
December 2006

Sub-group on Professional Services
Consultation List

Part I – Representatives from Professional Services Sectors

Accountancy Services	
1.	Mr Paul CHAN President and Chairman of the Mainland Affairs Committee, Hong Kong Institute of Certified Public Accountants
2.	Mr Doug OXLEY President, Hong Kong Institute of Accredited Accounting Technicians Ltd.
3.	Ms Elizabeth LAW Council Member, The Society of Chinese Accountants & Auditors
4.	Ms Fion YIP Head of China / Hong Kong, The Association of Chartered Certified Accountants
5.	Mr Marcellus WONG Past President, CPA Australia, Hong Kong Branch
Legal Services	
6.	Mr IP Shing-hing, Simon Former President, Law Society of Hong Kong
7.	Mr Andrew MAK Chairman, Special Committee on Mainland Affairs, Hong Kong Bar Association
8.	Mr Philip YANG Chairperson, Hong Kong International Arbitration Centre
9.	Mr P.Y. LO Bar Council Member, Hong Kong Bar Association
10.	Mr CHENG Chung-hon, Neville Ford, Kwan & Company
11.	Ms Sharon YAU Ford, Kwan & Company
12.	Mr LO Chi-lik, Peter Woo, Kwan, Lee & Lo
13.	Mr ZHU Xuan Feng Woo, Kwan, Lee & Lo
14.	Ms LIU Lai-yun, Amanda Ho & Company, Gallant Y.T.
15.	Mr WONG Wing-cheong, Philip Ho & Company, Gallant Y.T.

16.	Mr HO Kwan-yiu Ho K.C. & Fong
17.	Ms Serena CHAN Ho K.C. & Fong
18.	Mr Richard LI Ho K.C. & Fong
19.	Mr SO Shiu-tsung, Thomas Johnson Stokes & Master
20.	Mr Larry KWOK Kwok & Yih
21.	Mr NG Siu-pang Ng & Pang
22.	Ms LAM Yuet-ming, Emily Woo & Company, P.C.
	Medical Services
23.	Dr CHOI Kin President, Hong Kong Medical Association
24.	Dr Alan LAU Vice-Chairman, Hong Kong Private Hospitals Association
25.	Dr WONG Yu-man, James Chairman, The China-Hong Kong Society for Medical and Health Care
26.	Dr CHEUNG Wai-lun Director (Cluster Services), Hospital Authority
27.	Dr POON Tak-lun Specialist in Orthopaedics & Traumatology
28.	Dr David FANG Member, The Medical Council of Hong Kong Past President, Hong Kong Academy of Medicine
29.	Dr SUN Yiu-kwong Chairman, UMP Healthcare Limited
30.	Dr SHIH Tai-cho, Louis Vice President, Hong Kong Medical Association
31.	Dr CHOW Pak-chin Vice President, Hong Kong Medical Association
32.	Dr Eugene CHAN Past President, Hong Kong Dental Association
33.	Dr Homer TSO Chairman, The Dental Council of Hong Kong
34.	Dr Vincent LEUNG President, Hong Kong Dental Association
35.	Dr Sigmund LEUNG Vice President, Hong Kong Dental Association

Construction and Related Engineering Services	
36.	Mr Edward SHEN Former President, Hong Kong Institute of Architects
37.	Mr Greg C.Y. WONG Former President, Hong Kong Institution of Engineers
38.	Mr Kenneth TO Former President, Hong Kong Institute of Planners
39.	Mr Stephen LIU Former President, Hong Kong Institute of Surveyors
40.	Mr Patrick H.T. LAU Former President, Hong Kong Institute of Landscape Architects
41.	Mr James CHIU Former President, Hong Kong Institution of Engineers
42.	Dr CHOW Ming-kuen, Joseph Former President, Hong Kong Institution of Engineers
43.	Mr POON Lok-to, Otto Former President, Hong Kong Institution of Engineers
44.	Mr HUI Man-bock, Bernard In-coming Honorable Secretary, Hong Kong Institute of Architects
45.	Mr TANG Wai-man, Tony Architect
46.	Ms Karen SEDDON Planner
47.	Mr LAM Wo-hei Architect

Part II – Professional Services Bodies

Accountancy Services

- Hong Kong Institute of Certified Public Accountants

Legal Services

- Law Society of Hong Kong
- Hong Kong Bar Association
- Hong Kong International Arbitration Centre
- Hong Kong Institute of Arbitrators

Medical Services

- Hong Kong Medical Association
- Hong Kong Private Hospitals Association
- Hong Kong Dental Association
- Hong Kong Medical Council
- Hong Kong Dental Council
- Hong Kong Academy of Medicine

Construction and Related Engineering Services

- Hong Kong Institution of Engineers
- Hong Kong Institute of Architects
- Hong Kong Institute of Planners
- Hong Kong Institute of Surveyors
- Hong Kong Institute of Landscape Architects
- Real Estate Developers Association of Hong Kong
- The Hong Kong Construction Association

Other

- Business and Professionals Federation of Hong Kong
- Hong Kong Women Professional & Entrepreneurs Association
- The Chinese General Chamber of Commerce
- The Chinese Manufacturers' Association
- The International Chamber of Commerce - Hong Kong, China
- Federation of Hong Kong Industries
- Hong Kong General Chamber of Commerce