<u>Government appeals against judgment on judicial review of Small House Policy</u>

The Development Bureau (DEVB) said today (July 9) that the Government has decided to appeal against the judgment of the Court of First Instance of the High Court (the CFI) on the judicial review of the Small House Policy (the Policy).

"The CFI ruled that arrangements to apply for grants of government land through Private Treaty Grant (PTG) and Land Exchange for building small houses under the Policy are not a lawful traditional right and interest of the indigenous inhabitants of the New Territories within the meaning of Article 40 of the Basic Law. The judgment involves the interpretation of Article 40 of the Basic Law, which is a matter of constitutional importance. Having considered legal advice, the Government considers that it has grounds to lodge an appeal with the Court of Appeal against the CFI judgment," a spokesperson for the DEVB said. The spokesperson added that it would not be appropriate for the Government to comment openly on the details of the grounds of appeal at this stage in view of the judicial procedures involved.

Separately, the CFI stated earlier that the judgment made on April 8, 2019, would take effect on October 8, 2019. Although the judgment is not yet effective at the moment, since the CFI has already ruled that arrangements to apply for government land for building small houses through PTG and Land Exchange are not a lawful traditional right and interest within the meaning of Article 40 of the Basic Law, the Government considers that a prudent approach should be adopted in determining how to handle these two types of applications before the judgment takes effect. In view of this, the Government will only process those cases that were near completion before the judgment was handed down. Specifically, in respect of applications for PTG and Land Exchange involving government land:

- (1) Starting from today (July 9) until the judgment takes effect, the Government will resume the remaining procedures for those cases that were already prepared for execution on or before the day the judgment was handed down (i.e. on or before April 8, 2019). The Lands Department (LandsD) will contact the applicants concerned shortly to follow up.
- (2) Pending the results of the appeal, the LandsD will continue to suspend the processing of the other applications already received for these two types of small house grants, as well as the receipt of new applications for these two types of grants.

"After careful consideration, we believe that the above arrangement is an appropriate and pragmatic way forward," the spokesperson said.

The CFI ruled on April 8 that the arrangements to apply for building small houses on private land through Free Building Licence (FBL), being a

lawful traditional right and interest of the indigenous inhabitants of the New Territories within the meaning of Article 40 of the Basic Law, is lawful and constitutional. Subsequently, the Court confirmed in the orders granted on April 30 that as far as Land Exchange is concerned, the unconstitutional ruling handed down on April 8 applied only to Land Exchange involving government land. Therefore, the LandsD will continue to process as usual applications for building small houses on private land through FBL and Land Exchange under the Policy.

<u>Transcript of remarks by CE at media</u> <u>session before ExCo meeting (with</u> <u>video)</u>

Following is the transcript of remarks by the Chief Executive, Mrs Carrie Lam, at a media session before the Executive Council meeting this morning (July 9):

Chief Executive: Let me say a few words in English. I am sure many people in Hong Kong, including myself, are saddened and shocked by recent events in the past few weeks. I have fully reflected on the people's concerns, and I noticed that there are two entirely different situations in the many protests and marches that we have seen. On the one hand, hundreds of thousands of people from all sorts of background have taken part in marches in a peaceful and orderly manner. I think this again reflects the core value of Hong Kong, that we all have this freedom to express our views. I am also very proud of the quality of the Hong Kong people. But on the other hand, a very small minority of protesters have used the occasion to resort to violent acts and vandalism. We are sad to see these violent acts because they undermine the rule of law in Hong Kong. So I make a very sincere plea here, that in future, if anyone in Hong Kong has any different views, especially those about Hong Kong Government's policies, please continue to uphold the value of expressing it in a peaceful and orderly manner.

On June 18, I have tendered my most sincere apology for the disturbances, tensions and confrontations caused by our work in amending the Fugitive Offenders Ordinance. Since then, in the past few weeks, I have met a lot of people and listened to their views. I just want to give a brief account of our views now.

First of all, the cause of all these grievances and confrontations is an exercise to amend the Fugitive Offenders Ordinance. I have almost immediately put a stop to the amendment exercise, but there are still lingering doubts about the Government's sincerity, or worries whether the Government will restart the process in the Legislative Council. I reiterate

here there is no such plan — the bill is dead. As regards the other demands, myself, the Secretary for Justice, the Secretary for Security and the Chief Secretary for Administration, have responded on different occasions. In brief, we have not given a label to what took place on June 12. Whatever label given by whoever is not going to have any impact on the ultimate prosecution decision because prosecutions in Hong Kong are undertaken independently by the Department of Justice in accordance with the evidence, the law and also the Prosecution Code.

Secondly, any demand that we should grant an amnesty at this stage, in other words, we will not follow up on investigations and prosecutions of offenders, is not acceptable, because that bluntly goes against the rule of law in Hong Kong and also deviates from the very important principle laid down in the Basic Law that no one should interfere with the Department of Justice's prosecutorial decisions.

As regards the setting up of an independent Commission of Inquiry, we have all noticed that on Friday last week, the statutory Independent Police Complaints Council (IPCC) has already unanimously decided that they will conduct a fact-finding study on the events that have taken place during the period from June 9 to July 2, with a view to finding out the facts and providing the true situation to members of the public. They are appealing for members of the public, the policemen and the journalists to provide information to this fact-finding study. I am very grateful that IPCC has taken on my views or wishes that they will try to finish this independent study report within six months, submit the report with recommendations to myself and make the report open, so that everyone will know what had happened during that period.

I fully understand that the responses of the Government may not have fully met the wishes of the people, especially the protesters who have gone on the streets several times to express their views. I just want to reiterate that this is nothing to do with my own pride or arrogance. This is the Government's full deliberations of the various concerns and factors, and it comes to the conclusion that the responses are practical measures for us to move ahead. My sincere plea is, please give us an opportunity, the time, the room, to take Hong Kong out of the current impasse and try to improve the current situation.

The Government has the most important duty to improve the situation, so on July 1 I announced in my speech that we would adopt a new governance style in order to ensure that we are able and capable of listening to views from different sectors before we implement policies. I want to make some concrete follow-up to those suggestions.

One is we will listen more extensively to people from different backgrounds with different ideas so that we have a better grasp of public opinion. This work will be carried out not only by myself, it's also to be carried out by my political team, including the Principal Officials, the Under Secretaries, the Political Assistants, and also by my senior civil servants whom I have met over the last few weeks. They are all very willing to help by displaying that same sincerity to consult and listen. As for the

role of the Executive Council in this particular aspect, I will enhance the role of the Executive Council, that is the Non-Official Members of the Executive Council, so that they also shoulder an important responsibility in engaging public opinions and reflecting those opinions to me.

The second concrete measure is we will reform the existing consultative machinery, which basically comprises a large number of consultative advisory committees with members appointed by the Government into these committees to offer us advice. I feel that we need to be more innovative. In other words, sometimes we may not need a formal committee — we should build more open platforms to facilitate dialogues in a very frank manner, and to make sure that whoever joins the committees or these dialogues come from different backgrounds, so they are not homogeneous of one group. They should come from a more diverse background so that we can really receive views from a wider spectrum of society. One of the important committees that will undergo I would say a major overhaul will be the Youth Development Commission (YDC), because this commission was set up to co-ordinate initiatives relating to young people and to address young people's concern. I hope that the YDC will undergo a major changeover to a more open dialogue platform to listen to views from young people of various backgrounds.

The third concrete initiative is when I said that in rolling out policies the Government should have more thorough deliberations. We should not be guided just by executive efficiency or an end date for achieving a particular target. I have invited all my Principal Officials to revisit and re-examine some of the controversial policy initiatives under their respective jurisdiction, and consider whether we should redo or enhance the consultation and discussions with the people so that at the end of the day we could have an initiative which has more broad-based support, and in doing so I hope we could restore some of the trust in the Government amongst our people.

And finally, I said on July 1 that I will reach out to more young people of different backgrounds to hear them out, and that's why last week I contacted the presidents of two universities, the Hong Kong University of Science and Technology and the Chinese University of Hong Kong to seek their help in arranging smaller sessions, closed-door sessions, so that we can listen without any sort of constraints. I realise that this idea is not welcomed by the student unions. They instead counter-proposed that we should have an open dialogue. I now readily welcome and agree to do this open dialogue with our student representatives, and we will follow up. I hope this open dialogue will be conducted without any prerequisites on my part or on the part of the students.

To conclude, I want to say this really from the bottom of my heart. Five years ago, I was one of the Principal Officials involved in Occupy Central. Now five years later, as the Chief Executive, I was overseeing this Fugitive Offenders Ordinance amendment. Both exercises have caused a lot of grievances, unhappiness and tensions in society. I believe they reflect not only one incident but some fundamental and deep-seated problems in Hong Kong. Five years ago, we finished Occupy Central, we moved on without addressing

those fundamental problems. But this time, I don't think we could continue to ignore those fundamental and deep-seated problems in Hong Kong society. I hope together with Hong Kong community we could really go deep into those fundamental issues and try to find solutions. In recent days, several university presidents, religious leaders and social and community leaders have spoken to me on the idea of creating an open, constructive, interactive platform for dialogue with people from different backgrounds, especially with young people, to jointly understand and identify those deep-seated issues with a view that they could identify also some solutions for us to move forward. I certainly welcome this idea, which I hope will not only provide some relief to the current tense situation in Hong Kong but also help to mend the rift in society. I support this piece of work and hope that it could be started as soon as possible. Since the proponents told me that they preferred this dialogue to be created through community efforts, the Government will not go in to direct how this dialogue should be established, but whenever I and my officials are needed to take part in the dialogue, we are very happy to do so. While the dialogue is being established, meanwhile the Hong Kong SAR Government and myself will continue to address the social, economic and livelihood problems in Hong Kong with a view to resolving some of the current difficulties.

Reporter: Mrs Lam, you said you have to address issues leftover from the Occupy Movement in 2014, you said you have to address the leftover issues, are you saying that the Government will restart political reform and grant Hong Kong a genuine universal suffrage in the near future? Also, you said you are going to listen to a wide variety of views. Andrew Li, the former Chief Justice, said today that there should be a Commission of Inquiry (CoI) into the clashes in the recent protests, have his views not fallen on deaf ears? What are you saying — that there shouldn't be such an investigation?

Chief Executive: On the second question first. Over the past few weeks, there have been very different views from various quarters about the setting up of an independent Commission of Inquiry. There have also been very concrete steps taken by the statutory Independent Police Complaints Council on how they could help us and help society at large to address this concern — that is through a very detailed fact-finding study. While I respect the views expressed by different quarters, as I have mentioned in my introductory remarks, at the end of the day, it is not a personal preference for going which way. It is the Government, taking into account various factors and concerns, coming to a view on what is in the best interest of Hong Kong. While I respect the views of the Honourable Andrew Li, and also thank him for his support for me to continue to serve Hong Kong, I'm afraid on this particular issue of an independent CoI, the view has been taken for the IPCC to perform this role in accordance with their statutory functions under the ordinance in order to provide a report on what has happened during that period for the public to understand.

I mentioned Occupy Central and the relationship to the current exercise, not targeting a particular issue as you have put it. But it would be a bit simplistic, or even naive, for the Government to feel that this is an isolated incident — that once we addressed the crisis or once the protest

subsided, there will no longer be any problem in Hong Kong. I'm telling you most sincerely that I do not take that view. I come to the conclusion that there are some fundamental deep-seated problems in Hong Kong society. They could be economic problems, they could be livelihood issues, they could be political divisions in society. The first thing we should do is to identify those fundamental issues and hopefully to find some solutions to move forward.

(Please also refer to the Chinese portion of the transcript.)

Red flag hoisted at Chung Hom Kok Beach

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (July 9) that due to big waves, the red flag has been hoisted at Chung Hom Kok Beach in Southern District, Hong Kong Island. Beach-goers are advised not to swim at the beach.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Tuesday, July 9, 2019 is 105.2 (down 0.2 against yesterday's index).

HKETO Berlin takes part in Switzerland's biggest public festival

(with photo)

The Hong Kong Economic and Trade Office, Berlin (HKETO Berlin), has sponsored the 8th Dragon Boat Race of the Züri Fäscht (Zurich Festival) that took place from July 5 to 7 (Zurich time). The race is a popular event of the three-day Züri Fäscht, Switzerland's biggest public festival that is held every three years in Zurich city. The Director of HKETO Berlin, Mr Bill Li, attended this flagship event and presented trophies to the winning teams at the award ceremony on July 7 (Zurich time). HKETO Berlin also hosted a booth to promote Hong Kong to visitors and athletes.

With its ancient Chinese origins dating back more than 2 000 years, dragon boat racing has nowadays become a modern international sport that is nowhere celebrated as much as in Hong Kong. Amongst several competitive and well-attended races in the city, the Hong Kong Dragon Boat Carnival might be the most prominent one. Each summer, the best teams from around the world compete in the heart of Hong Kong at the Victoria Harbour at this multi-day event that is packed with sports action, celebrations, live entertainers, marching bands, lion dances, and of course, the most colourful dragon boats one can imagine!

The dragon boat races alone would be reason enough to visit Hong Kong. But Asia's world city is also the stage for other world-class events. It is not only one of the big financial centres in the world and an international business hub. "With a unique blend of East and West, old and new, Hong Kong is one of Asia's top tourist destinations", Mr Li explained at the margin of the races in Zurich. Hong Kong has a year-round calendar of world-class arts, cultural and sporting events and is home to some of the world's largest trade fairs.

Hong Kong, Asia's World City, offers a full depth of unique experiences awaiting visitors to explore in person.

About HKETO Berlin

HKETO Berlin is the official HKSARG representative in commercial relations and other economic and trade matters in Switzerland as well as Austria, the Czech Republic, Germany, Hungary, Poland, the Slovak Republic, and Slovenia.

