

## Benefits and Contributions of Hong Kong's Participation in National Affairs

### 1 Identify and elaborate on Hong Kong's economic contributions to the country.

- \* **Active investments:** When reform and opening-up first began, Hong Kong business people were the first to actively invest on the Mainland. They not only brought funds for the Mainland economy but also imported advanced production equipment, technologies and management approaches, encouraging an influx of international capital.
- \* **To assist the development of the market economy:** When reform and opening-up first began, many professionals from Hong Kong, such as accountants and lawyers who understood international markets and rules, actively gave opinions and suggestions to the economic reform.
- \* **To pilot policies:** During reform and opening-up, the country piloted many policies in Hong Kong. This strategy facilitated the country to open up externally, enabled effective risk control, and gave Hong Kong a head start over others. For example, since 2004, Hong Kong is one of the first RMB clearing centres outside Mainland China, where foreign funds can be settled in RMB.

### 2 What roles do the Hong Kong talents play in the country's reform and opening-up?

- \* **Facilitators/guides:** During China's reform and opening-up, experienced professionals were needed to advise on policies and practices to go in line with the national conditions. For example, Dr. Anthony Neoh facilitated the development of various policies for China's securities market, such as relaxing the listing requirements, by active promotion and giving advice, bringing Hong Kong's international regulatory experience to the country and contributing a lot to the healthy development of its financial market. Many enterprises to be listed have obtained funds for development on the market through financing.
- \* **Participants:** Many professionals from the finance, business and accounting sectors in Hong Kong went to the Mainland and became managers of Chinese enterprises during China's reform and opening-up. They took part in training local employees, introduced Hong Kong's advanced management experience and technology to the Mainland enterprises, enabling the management and technology of the enterprises to gradually move towards the international standards.
- \* **Technology/capital/resource providers:** At the beginning of reform and opening-up, many Hong Kong factory owners brought along their technicians and management personnel from Hong Kong to invest and set up factories on the Mainland. They enthusiastically responded to the country's economic opening-up policy and contributed resources like technology, capital, talents, and machines. At the same time, they provided Mainland residents with stable jobs and incomes, improved their material life, and equipped them with more advanced technology and management skills. Without their support, the pace of reform and opening-up would not have been so fast.

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### Identify and elaborate on **one** benefit of Hong Kong's participation in national affairs.

- \* **Support Hong Kong during challenges:** When Hong Kong is facing risks and crises, the country provides assistances to stabilise the Hong Kong society. As a highly externally oriented economy, Hong Kong's financial markets and real economy are vulnerable to global changes. Therefore, the Hong Kong economy and society may be very vulnerable when global financial crises or public health issues occur. For example, the country assisted Hong Kong in facing the COVID-19 pandemic, by dispatching Mainland testing personnel to assist in large-scale nucleic acid testing, and assisting Hong Kong to accelerate the construction of quarantine facilities.
- \* **Consolidate and enhance Hong Kong's competitive advantages:** According to the 14th Five-Year Plan, the state has established the role and important functional positioning of Hong Kong for the overall development of the state, with Hong Kong's competitiveness consolidated and enhanced through a series of policies. For example, 16 laboratories in Hong Kong are listed as State Key Laboratories (SKL) and included in the state system of scientific research and innovation, enabling Hong Kong to get state support for its scientific research, enhancing its research capabilities, and assisting Hong Kong to develop into an international innovation and technology hub.
- \* **Enhance Hong Kong-Mainland exchanges and cooperation:** The state supports the connections with infrastructure between the Mainland and Hong Kong, such as the completion of the Hong Kong-Zhuhai-Macao Bridge, which facilitates travel, personnel exchanges, and commercial interactions among the three cities. The state also allows eligible Hong Kong people residing on the Mainland to apply for residence permits and enjoy the rights, public services and facilitation measures provide by the place of residence. In terms of education, the states supports higher education institutions (HEIs) in Hong Kong and the Mainland to recruit students across regions and supports cooperation in academic affairs between Hong Kong and Mainland HEIs. In terms of scientific research, the state supports Hong Kong HEIs in establishing research institutes on the Mainland, and supports Hong Kong science workers and institutions in applying for projects under China's National Research Programme, and makes the country's key sci-tech projects more accessible to Hong Kong.
- \* **Ensure the safe and stable supply of basic necessities to Hong Kong:** The majority of basic necessities and natural resources in Hong Kong are dependent on imports. The country has ensured the stable supply of resources such as water, food and energy in Hong Kong. For example, since 1994, Daya Bay Nuclear Power Station has been responsible for supplying electricity to Hong Kong, which covers a quarter of annual electricity consumption in Hong Kong. Dongjiang water has been consistently and stably supplied to Hong Kong, ensuring an ample supply of drinking water.

(One of the benefits, or other reasonable answers.)

#### Answering Demo:

Type 10

Roles


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