

**Resolution of the Standing Committee
of the National People's Congress
on the Publication of the "Basic Law
of the Hong Kong Special Administrative Region
of the People's Republic of China (Draft)" *
(passed on 21 February 1989)**

Upon receiving the report presented by Mr Ji Pengfei, Chairman of the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region, on the "Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Draft)" and related documents, the Standing Committee of the Seventh National People's Congress resolves at its sixth meeting:

1. to publish the "Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Draft)" and its three annexes, and at the same time to publish the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region (Draft drawn up for the National People's Congress)" and the "Proposal by the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region on the Establishment of the Committee for the Basic Law of the Hong Kong Special Administrative Region of the Standing Committee of the National People's Congress", for extensive solicitation of opinions in Hong Kong and in other regions of the country from the date of publication to the end of July 1989;

2. that the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region shall be responsible for soliciting opinions of people from various sectors in Hong Kong and from departments of the Central Government, political parties and mass organizations;

3. that the standing committees of the people's congresses of provinces, autonomous regions, and municipalities directly under the Central Government shall be responsible for soliciting opinions of local people from various sectors and for collecting such opinions for submission to the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region by mid-August 1989. People from various sectors may also submit their opinions to the Secretariat of the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region; and

4. that the Standing Committee of the National People's Congress shall entrust the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region with the responsibility of directing the solicitation of opinions and of submitting the "Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Draft)" to the third session of the Seventh National People's Congress in 1990 after further revision in accordance with the opinions collected from Hong Kong and other regions and quarters of the country.

* Translated by the Secretariat of the Consultative Committee for the Basic Law
If there is any discrepancy between the Chinese and the English versions, the Chinese version shall prevail.

Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Draft)

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Preamble

Hong Kong has been part of China's territory since ancient times, but it was occupied by Britain after the Opium War in 1840. On 19 December 1984, the Chinese and British Governments signed the Joint Declaration on the Question of Hong Kong, affirming that the Government of the People's Republic of China will resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997, thus fulfilling the long-cherished common aspiration of the entire Chinese people for the recovery of Hong Kong.

In order to uphold national unity and territorial integrity and to maintain Hong Kong's prosperity and stability, and taking account of the history of Hong Kong and its realities, the People's Republic of China has decided that upon China's resumption of the exercise of sovereignty over Hong Kong, a Hong Kong Special Administrative Region will be established in accordance with the provisions of Article 31 of the Constitution of the People's Republic of China and that under the principle of "one country, two systems", the socialist system and policies will not be practised in Hong Kong. The basic policies of the People's Republic of China regarding Hong Kong have been elaborated by our Government in the Sino-British Joint Declaration.

In accordance with the Constitution of the People's Republic of China, the National People's Congress hereby enacts the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, prescribing the systems to be practised in the Hong Kong Special Administrative Region, in order to ensure the implementation of the basic policies of the People's Republic of China regarding Hong Kong.

Chapter I: General Principles

Article 1

The Hong Kong Special Administrative Region is an inalienable part of the People's Republic of China.

Article 2

The National People's Congress authorizes the Hong Kong Special Administrative Region to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law.

Article 3

The executive authorities and legislature of the Hong Kong Special Administrative Region shall be composed of permanent residents of Hong Kong in accordance with the relevant provisions of this Law.

Article 4

The Hong Kong Special Administrative Region shall safeguard the rights and freedoms of the residents and other persons in the Region in accordance with law.

Article 5

The socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years.

Article 6

The Hong Kong Special Administrative Region shall protect the right of private ownership of property in accordance with law.

Article 7

The land and natural resources within the Hong Kong Special Administrative Region shall be the state property of the People's Republic of China. The Government of the Hong Kong Special Administrative Region shall be responsible for their management, use

and development and for their lease or grant to individuals, legal persons, or organizations for use or development. The revenues derived shall be exclusively at the disposal of the Government of the Hong Kong Special Administrative Region.

Article 8

The laws previously in force in Hong Kong, that is, the common law, rules of equity, ordinances, subordinate legislation and customary law shall be maintained, except for those that are inconsistent with this Law or have been amended by the legislature of the Hong Kong Special Administrative Region.

Article 9

In addition to the Chinese language, English may also be used as an official language by the executive authorities, legislature and judicial organs of the Hong Kong Special Administrative Region.

Article 10

Apart from displaying the national flag and national emblem of the People's Republic of China, the Hong Kong Special Administrative Region may also use a regional flag and regional emblem.

The regional flag of the Hong Kong Special Administrative Region (to be drafted).

The regional emblem of the Hong Kong Special Administrative Region (to be drafted).

Article 11

In accordance with Article 31 of the Constitution of the People's Republic of China, the systems and policies practised in the Hong Kong Special Administrative Region, including the social and economic systems, the system for safeguarding the fundamental rights and freedoms of its residents, the executive, legislative and judicial systems, and the relevant policies, shall be based on the provisions of this Law.

No law enacted by the legislature of the Hong Kong Special Administrative Region shall be inconsistent with this Law.

Chapter II: Relationship between the Central Authorities and the Hong Kong Special Administrative Region

Article 12

The Hong Kong Special Administrative Region shall be a local administrative region of the People's Republic of China, which shall enjoy a high degree of autonomy and come directly under the Central People's Government.

Article 13

The Central People's Government shall be responsible for the foreign affairs relating to the Hong Kong Special Administrative Region.

The Ministry of Foreign Affairs of the People's Republic of China shall establish an office in Hong Kong to deal with foreign affairs.

The Central People's Government shall authorize the Hong Kong Special Administrative Region to deal with relevant external affairs on its own in accordance with this Law.

Article 14

The Central People's Government shall be responsible for the defence of the Hong Kong Special Administrative Region.

The Government of the Hong Kong Special Administrative Region shall be responsible for the maintenance of the public order of the Region.

Military forces sent by the Central People's Government to be stationed in the Hong Kong Special Administrative Region for defence shall not interfere in the local affairs of the Region. The Government of the Hong Kong Special Administrative Region may, in times of need, ask the Central People's Government for assistance from the garrison in the maintenance of public order and in disaster relief.

In addition to abiding by national laws, members of the garrison shall abide by the laws of the Hong Kong Special Administrative Region.

Expenditure for the garrison shall be borne by the Central People's Government.

Article 15

The Central People's Government shall appoint the Chief Executive and the principal officials of the executive authorities of the Hong Kong Special Administrative Region in accordance with the provisions of Chapter IV of this Law.

Article 16

The Hong Kong Special Administrative Region shall be vested with executive power. In accordance with the relevant provisions of this Law it shall, on its own, manage the administrative affairs of the Region.

Article 17

The Hong Kong Special Administrative Region shall be vested with legislative power.

Laws enacted by the legislature of the Hong Kong Special Administrative Region shall be reported to the Standing Committee of the National People's Congress for the record. The reporting for record shall not affect the entry into force of such laws.

If the Standing Committee of the National People's Congress, after consulting its Committee for the Basic Law of the Hong Kong Special Administrative Region, considers that any law enacted by the legislature of the Region is not in conformity with the provisions of this Law regarding affairs within the responsibility of the Central Authorities or the relationship between the Central Authorities and the Region, it may return the law in question but it shall not amend it. Any law returned by the Standing Committee of the National People's Congress shall immediately cease to have force. This cessation shall not have retroactive effect, unless otherwise provided for in the laws of the Hong Kong Special Administrative Region.

Article 18

The laws of the Hong Kong Special Administrative Region shall be this Law, the laws previously in force in Hong Kong as stipulated in

Article 8 of this Law, and the laws enacted by the legislature of the Region.

National laws shall not be applied in the Hong Kong Special Administrative Region except for those listed in Annex III to this Law. The laws listed in Annex III to this Law shall be applied locally in the Region by way of promulgation or legislation.

The Standing Committee of the National People's Congress may make additions to or deletions from the list of laws in Annex III after consulting its Committee for the Basic Law of the Hong Kong Special Administrative Region and the government of the Region. Laws listed in Annex III to this Law shall be confined to those relating to defence and foreign affairs as well as other laws outside the limits of the autonomy of the Region as specified by this Law.

In case the Standing Committee of the National People's Congress decides to declare a state of war or, by reason of turmoil within the Hong Kong Special Administrative Region which is beyond the control of the Region, decides that the Region is in a state of emergency, the State Council may decree the application of the relevant national laws in the Region.

Article 19*

The Hong Kong Special Administrative Region shall be vested with independent judicial power, including that of final adjudication.

Courts of the Hong Kong Special Administrative Region shall have jurisdiction over all cases in the Region, except that the restrictions on their jurisdiction imposed by Hong Kong's previous legal system shall be maintained.

Courts of the Hong Kong Special Administrative Region shall have no jurisdiction over cases relating to the acts of state. Courts of the Region shall obtain a statement from the Chief Executive on questions concerning the facts of state whenever such questions arise in any legal proceedings. This statement shall be binding on the courts.

Before issuing such a statement, the Chief Executive shall obtain a certificate from the Central People's Government.

* This article was not adopted as it received only 35 votes, two votes short of a two-thirds majority.

Article 20

The Hong Kong Special Administrative Region may enjoy other powers granted to it by the National People's Congress, the Standing Committee of the National People's Congress or the Central People's Government.

Article 21

Chinese citizens who are residents of the Hong Kong Special Administrative Region shall be entitled to participate in state affairs in accordance with law.

In accordance with the assigned number of seats and the election method specified by the National People's Congress, the Chinese citizens among the Hong Kong residents shall locally elect deputies of the Hong Kong Special Administrative Region to the National People's Congress to participate in the work of the highest organ of state power.

Article 22

Departments of the Central People's Government as well as provinces, autonomous regions, and municipalities directly under the Central Government shall not interfere in the affairs which the Hong Kong Special Administrative Region administers on its own in accordance with this Law.

If there is a need for departments of the Central Government as well as provinces, autonomous regions, and municipalities directly under the Central Government to set up offices in the Hong Kong Special Administrative Region, they must have the consent of the government of the Region and the approval of the Central People's Government.

All offices set up in Hong Kong by the departments of the Central Government, or by provinces, autonomous regions, and municipalities directly under the Central Government and the personnel of these offices shall abide by the laws of the Hong Kong Special Administrative Region.

People from other parts of China must apply for approval for entry into the Hong Kong Special Administrative Region.

The Hong Kong Special Administrative Region may establish an office in Beijing.

Article 23

The Hong Kong Special Administrative Region shall enact laws on its own to prohibit any act of treason, secession, sedition or theft of state secrets.

Chapter III: Fundamental Rights and Duties of the Residents

Article 24

Residents of the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong residents”) shall include permanent residents and non-permanent residents.

The permanent residents of the Hong Kong Special Administrative Region shall be:

- (1) Chinese citizens born in Hong Kong before or after the establishment of the Hong Kong Special Administrative Region;
- (2) Chinese citizens who have ordinarily resided in Hong Kong for a continuous period of no less than seven years before or after the establishment of the Hong Kong Special Administrative Region;
- (3) Persons of Chinese nationality born outside Hong Kong of those residents listed in categories (1) and (2);
- (4) Persons who are not of Chinese nationality but who have ordinarily resided in Hong Kong for a continuous period of no less than seven years and have taken Hong Kong as their place of permanent residence before or after the establishment of the Hong Kong Special Administrative Region;
- (5) Persons under 21 years of age born in Hong Kong of residents listed in category (4) before or after the establishment of the Hong Kong Special Administrative Region; and
- (6) Persons other than those residents listed in categories (1) to (5), who had the right of abode only in Hong Kong before the establishment of the Hong Kong Special Administrative Region.

The above-mentioned residents shall have the right of abode in the Hong Kong Special Administrative Region and shall be qualified to obtain, in accordance with its law, permanent identity cards which state their right of abode.

The non-permanent residents of the Hong Kong Special Administrative Region shall be persons who, in accordance with its law, shall be qualified to obtain Hong Kong identity cards but shall have no right of abode.

Article 25

All Hong Kong residents shall be equal before the law.

Article 26

Permanent residents of the Hong Kong Special Administrative Region shall have the right to vote and the right to stand for election in accordance with law.

Article 27

Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions and to go on strike.

Article 28

The freedom of the person of Hong Kong residents shall be inviolable.

No Hong Kong resident shall be arbitrarily or unlawfully arrested, detained or imprisoned. Arbitrary or unlawful search of the body of any resident or deprivation or restriction of his/her freedom of the person shall be prohibited. The torture of any resident or arbitrary or unlawful deprivation of his/her life shall be prohibited.

Article 29

The homes and other premises of Hong Kong residents shall be inviolable. Arbitrary or unlawful search of, or intrusion into, a resident's home or other premises shall be prohibited.

Article 30

The freedom and privacy of communication of Hong Kong residents shall be protected by law. No department or individual may, on any grounds, infringe upon the residents' freedom and privacy of

communication except that the relevant authorities may censor communication in accordance with legal procedures to meet the needs of public security or of investigation into criminal offences.

Article 31

Hong Kong residents shall have the freedom of movement within the Hong Kong Special Administrative Region and the freedom of emigration to other countries and regions. They shall have the freedom to travel and the freedom of entry and exit. Unless restrained by law, Hong Kong residents who hold valid travel documents shall be free to leave the Region without special authorization.

Article 32

Hong Kong residents shall have the freedom of conscience.

Hong Kong residents shall have the freedom of religious belief and the freedom to preach and to carry out and participate in religious activities in public.

Article 33

Hong Kong residents shall have the freedom of choice of occupation.

Article 34

Hong Kong residents shall have the freedom of academic research, of literary and artistic creation, and of other cultural pursuits.

Article 35

Hong Kong residents shall have the right to confidential legal advice, access to the courts, and choice of lawyers for timely protection of their legitimate rights and interests, and for representation in the courts, and the right to judicial remedies.

Hong Kong residents shall have the right to institute legal proceedings in the courts against the actions of the executive organs or their personnel.

Article 36

Hong Kong residents shall have the right to social welfare as

prescribed by law. The welfare benefits of the labour force shall be protected by law.

Article 37

The freedom of marriage of Hong Kong residents and their right to raise a family freely shall be protected by law.

Article 38

Hong Kong residents shall enjoy the other rights and freedoms safeguarded by the laws of the Hong Kong Special Administrative Region.

Article 39

The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region.

The rights and freedoms enjoyed by Hong Kong residents shall not be restricted unless prescribed by law. Such restrictions shall not contravene the provisions of the preceding paragraph of this Article.

Article 40

The legitimate traditional rights and interests of the indigenous inhabitants of the "New Territories" shall be protected by the Hong Kong Special Administrative Region.

Article 41

Persons in the Hong Kong Special Administrative Region other than Hong Kong residents shall, in accordance with law, enjoy the rights and freedoms of Hong Kong residents prescribed in this Chapter.

Article 42

Hong Kong residents and other persons in Hong Kong shall have the obligation to abide by the laws in force in the Hong Kong Special Administrative Region.

Chapter IV: Political Structure

Section 1: The Chief Executive

Article 43

The Chief Executive of the Hong Kong Special Administrative Region shall be the head of the Hong Kong Special Administrative Region and shall represent the Region.

The Chief Executive of the Hong Kong Special Administrative Region shall be accountable to the Central People's Government and the Hong Kong Special Administrative Region in accordance with the provisions of this Law.

Article 44

The Chief Executive of the Hong Kong Special Administrative Region shall be a Chinese citizen of no less than 40 years of age who is a permanent resident of the Region and has ordinarily resided in Hong Kong for a continuous period of 20 years.

Article 45

The Chief Executive of the Hong Kong Special Administrative Region shall be selected by election or through consultations held locally and be appointed by the Central People's Government.

The method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim shall be the selection of the Chief Executive through general election.

The specific method for selecting the Chief Executive is prescribed in Annex I: "Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region".

Article 46

The term of office of the Chief Executive of the Hong Kong Special

Administrative Region shall be five years. He/she may serve for no more than two consecutive terms.

Article 47

The Chief Executive of the Hong Kong Special Administrative Region must be a person of integrity, dedicated to his/her duties.

The Chief Executive, on assuming office, shall declare his/her assets to the Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region. This declaration shall be put on record.

Article 48

The Chief Executive of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To lead the government of the Region;
- (2) To be responsible for the implementation of this Law and other laws which, in accordance with this Law, apply in the Hong Kong Special Administrative Region;
- (3) To sign bills passed by the Legislative Council and to promulgate laws;

To sign appropriation bills passed by the Legislative Council and report the budgets and final accounts to the Central People's Government for the record;

- (4) To decide on government policies and to issue executive orders;
- (5) To nominate and to report to the Central People's Government for appointment the following principal officials: Secretaries and Deputy Secretaries of Departments, Directors of Bureaus, Commissioner Against Corruption, Director of Audit and Commissioner of Police; and to propose to the Central People's Government the removal of the above-mentioned officials;

- (6) To appoint or remove judges of the courts at all levels in accordance with legal procedures;
- (7) To appoint or remove public office bearers in accordance with legal procedures;
- (8) To implement the directives issued by the Central People's Government in respect of the relevant matters provided for in this Law;
- (9) To deal with, on behalf of the Government of the Hong Kong Special Administrative Region, external affairs and other affairs authorized by the Central Authorities;
- (10) To approve the introduction of motions regarding revenues or expenditure to the Legislative Council;
- (11) To decide, in the light of security and vital public interests, whether government officials or other personnel in charge of government affairs should testify or give evidence before the Legislative Council or its committees;
- (12) To pardon persons convicted of criminal offences or commute their penalties; and
- (13) To handle petitions and complaints.

Article 49

If the Chief Executive considers that a bill passed by the Legislative Council is not compatible with the overall interest of the Hong Kong Special Administrative Region, he/she may return it to the Legislative Council within three months for reconsideration. If the Legislative Council passes the original bill again by no less than a two-thirds majority, the Chief Executive must sign and promulgate it within one month, or act in accordance with the provisions of Article 50 of this Law.

Article 50

If the Chief Executive refuses to sign the bill passed by the Legislative Council for a second time, or the Legislative Council refuses to pass an appropriation bill or any other important bill introduced by the

government and if consensus still cannot be reached after consultations, the Chief Executive may dissolve the Legislative Council.

The Chief Executive shall consult the Executive Council before dissolving the Legislative Council. The Chief Executive may dissolve the Legislative Council only once in each term of his/her office.

Article 51

If the Legislative Council refuses to pass the appropriation bill introduced by the government, the Chief Executive may apply to the Legislative Council for temporary appropriations. If appropriation of public funds cannot be approved because the Legislative Council has already been dissolved, the Chief Executive may approve temporary short-term appropriations according to the level of the previous fiscal year's expenditure prior to the election of the new Legislative Council.

Article 52

The Chief Executive shall have to resign under any of the following circumstances:

- (1) When he/she loses the ability to discharge the functions of his/her office due to serious illness or other reasons;
- (2) When, after the Legislative Council was dissolved because he/she twice refused to sign the bill it passed, the new Legislative Council has again passed by a two-thirds majority the original bill in dispute, but he/she still refuses to sign it; and
- (3) When, after the Legislative Council was dissolved because it refused to approve an appropriation bill or any other important bill, the new Legislative Council still refuses to pass the original bill in dispute.

Article 53

If the Chief Executive of the Hong Kong Special Administrative Region is not able to discharge his/her duties for a brief period, such duties shall temporarily be assumed by the Administrative Secretary, Financial Secretary or Secretary of Justice in this order of precedence.

In the event that the office of Chief Executive becomes vacant, a new Chief Executive shall be selected within six months in accordance with the provisions of Article 45 of this Law. During the period of vacancy, his/her duties shall be assumed according to the provisions of the preceding paragraph.

Article 54

The Executive Council of the Hong Kong Special Administrative Region shall be an organ for assisting the Chief Executive in policy-making.

Article 55

Members of the Executive Council of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive from among the principal officials of the executive authorities, members of the Legislative Council and public figures. Their appointment or removal shall be decided by the Chief Executive. The term of office of members shall not exceed that of the Chief Executive who appoints them.

Members of the Executive Council of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region.

The Chief Executive may invite other persons concerned to sit in at meetings of the Council as he/she deems necessary.

Article 56

The Executive Council of the Hong Kong Special Administrative Region shall be presided over by the Chief Executive.

Except for the appointment, removal and disciplining of officials and the adoption of measures in emergencies, the Chief Executive shall consult the Executive Council before making important decisions, introducing a bill to the Legislative Council, enacting subsidiary legislation, or dissolving the Legislative Council.

If the Chief Executive does not adopt a majority opinion of the Executive Council, he/she shall put his/her specific reasons on record.

Article 57

A Commission Against Corruption shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to the Chief Executive.

Article 58

A Commission of Audit shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to the Chief Executive.

Section 2: The Executive Authorities

Article 59

The Government of the Hong Kong Special Administrative Region shall be the executive authorities of the Region.

Article 60

The head of the Government of the Hong Kong Special Administrative Region shall be the Chief Executive of the Region.

Department of Administration, Department of Finance, Department of Justice, bureaus, divisions and commissions shall be established in the Government of the Hong Kong Special Administrative Region.

Article 61

The principal officials of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents and have ordinarily resided in Hong Kong for a continuous period of 15 years.

Article 62

The Government of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To formulate and implement policies;

- (2) To manage administrative affairs;
- (3) To manage the external affairs authorized by the Central People's Government under this Law;
- (4) To draw up and introduce budgets and final accounts;
- (5) To draft and introduce bills, motions and subsidiary legislation;
and
- (6) To designate officials to sit in at the meetings of the Legislative Council.

Article 63

The prosecuting authority of the Hong Kong Special Administrative Region shall handle criminal prosecutions independently, free from any interference.

Article 64

The Government of the Hong Kong Special Administrative Region must abide by the law and shall be accountable to the Legislative Council of the Region in the following respects: implementing laws passed by the Council and already in force; presenting regular reports on its work to the Council; answering questions raised by members of the Council; and obtaining approval from the Council for taxation and public expenditure.

Article 65

The previous system of establishing advisory bodies by the executive authorities shall be maintained.

Section 3: The Legislature

Article 66

The Legislative Council of the Hong Kong Special Administrative Region shall be the legislature of the Region.

Article 67

The Legislative Council of the Hong Kong Special Administrative Region shall be constituted by election.

The method for forming the Legislative Council shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim shall be the selection of all the members of the Legislative Council through general election.

The specific method for forming the Legislative Council is prescribed in Annex II: “Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region”.

Article 68

The term of office of the Legislative Council of the Hong Kong Special Administrative Region shall be four years, except the first term which shall be two years.

Article 69

If the Legislative Council of the Hong Kong Special Administrative Region is dissolved by the Chief Executive in accordance with the provisions of this Law, it shall, within three months, be reconstituted by election as prescribed by Article 67 of this Law.

Article 70

The President of the Legislative Council of the Hong Kong Special Administrative Region shall be elected from among the members of the Legislative Council.

The President of the Legislative Council of the Hong Kong Special Administrative Region shall be a Chinese citizen of no less than 40 years of age, who is a permanent resident of the Region and has ordinarily resided in Hong Kong for a continuous period of 20 years.

Article 71

The President of the Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To preside over meetings;
- (2) To decide on the agenda, giving priority to bills introduced by the government for inclusion in the agenda;
- (3) To decide on the time of meetings;
- (4) To call special meetings during the recess; and
- (5) Other powers and functions as prescribed in the rules of procedure of the Legislative Council.

Article 72

The Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To enact, amend or repeal laws in accordance with the provisions of this Law and legal procedures;
- (2) To examine and approve budgets submitted by the government;
- (3) To approve taxation and public expenditure;
- (4) To hear and debate the policy addresses of the Chief Executive;
- (5) To raise questions on the work of the government;
- (6) To hold debates on any issue concerning public interests;
- (7) To endorse the appointment and removal of the judges of the Court of Final Appeal and the Chief Judge of the High Court;
- (8) To receive and deal with complaints from Hong Kong residents;
- (9) If a motion initiated jointly by one-fourth of the members of the Legislative Council accuses the Chief Executive of serious breach of law or dereliction of duty and if he/she still refuses to

resign, the Council may, after passing a motion for investigation, give a mandate to the Chief Justice of the Court of Final Appeal to form and chair an independent investigating committee. The committee shall be responsible for carrying out the investigation and reporting its findings to the Council. If the committee considers the evidence sufficient, the Council may pass a motion of impeachment by a two-thirds majority and report it to the Central People's Government for decision; and

- (10) To summon, as required when exercising the above-mentioned powers and functions, the persons concerned to testify or give evidence.

Article 73

Members of the Legislative Council of the Hong Kong Special Administrative Region may introduce bills in accordance with the provisions of this Law and legal procedures. Bills which do not relate to public expenditure or the structure and operation of the government may be introduced individually or jointly by members of the Council. Written consent of the Chief Executive shall be required before bills relating to government policies are introduced.

Article 74

The quorum for the meeting of the Legislative Council of the Hong Kong Special Administrative Region shall be no less than one half of its members.

Unless otherwise provided for in this Law, the passage of any bill or motion in the Legislative Council of the Hong Kong Special Administrative Region shall require the votes of more than one half of its members present.

The rules of procedure of the Legislative Council shall be established by the Council on its own, but they shall not be inconsistent with this Law.

Article 75

A bill passed by the Legislative Council of the Hong Kong Special

Administrative Region shall take effect only after it is signed and promulgated by the Chief Executive.

Article 76

Members of the Legislative Council of the Hong Kong Special Administrative Region shall not be legally liable for speeches made at meetings of the Council.

Article 77

Members of the Legislative Council of the Hong Kong Special Administrative Region shall not be subjected to arrest when attending or on their way to a meeting of the Legislative Council.

Article 78

The President of the Legislative Council shall declare that a member of the Council is no longer qualified for the office under any of the following circumstances:

- (1) When he/she loses the ability to discharge the functions of his/her office due to serious illness or other reasons;
- (2) When he/she, with no valid reason, is absent from meetings for three consecutive months without the consent of the President of the Legislative Council;
- (3) When he/she loses or renounces his/her status as a permanent resident of the Hong Kong Special Administrative Region;
- (4) When he/she accepts government appointment and joins the public service;
- (5) When he/she is bankrupt or fails to comply with a court order to repay debts;
- (6) When he/she is convicted and sentenced to imprisonment for one month or more for a criminal offence committed within or outside the Hong Kong Special Administrative Region and is relieved of his/her duties by a motion passed by two-thirds of the members of the Legislative Council present; and

- (7) When he/she is censured for misbehaviour or breach of oath by a vote of two-thirds of the members of the Legislative Council present.

Section 4: Judicial Organs

Article 79

The courts of the Hong Kong Special Administrative Region at all levels shall be the judicial organs of the Region, exercising the judicial power of the Region.

Article 80

The Court of Final Appeal, the High Court, district courts, magistrates' courts and other special courts shall be established in the Hong Kong Special Administrative Region. The High Court shall comprise the Court of Appeal and the Court of the First Instance.

The judicial system previously in practice in Hong Kong shall be maintained except for those changes consequent upon the establishment of the Court of Final Appeal of the Hong Kong Special Administrative Region.

Article 81

The power of final adjudication of the Hong Kong Special Administrative Region shall be vested in the Court of Final Appeal of the Region, which may as required invite judges from other common law jurisdictions to sit on the Court of Final Appeal.

Article 82

The structure, powers and functions of the courts of the Hong Kong Special Administrative Region at all levels shall be prescribed by law.

Article 83

The courts of the Hong Kong Special Administrative Region shall decide cases in accordance with the laws applicable in the Region as prescribed in Article 18 of this Law and may refer to precedents of other common law jurisdictions.

Article 84

The courts of the Hong Kong Special Administrative Region shall exercise judicial power independently and free from any interference. Members of the judiciary shall be immune from legal action in respect of their judicial functions.

Article 85

The principle of trial by jury previously practised in Hong Kong shall be maintained.

Article 86

In criminal or civil proceedings in the Hong Kong Special Administrative Region, the principles previously applied in Hong Kong and the rights previously enjoyed by the parties to the proceedings shall be maintained.

Anyone who is lawfully arrested shall have the right to a fair trial by the judicial organs without delay and shall be presumed innocent until convicted by the judicial organs.

Article 87

Judges of the courts of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive on the recommendation of an independent commission composed of local judges, persons from the legal profession and other eminent persons.

Article 88

A judge of a court of the Hong Kong Special Administrative Region may be removed for inability to discharge the functions of his/her office, or for misbehaviour, by the Chief Executive on the recommendation of a tribunal appointed by the Chief Justice of the Court of Final Appeal and consisting of not fewer than three local judges.

The Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region may be investigated for inability to discharge the functions of his/her office, or for misbehaviour, by a tribunal appointed by the Chief Executive and consisting of no fewer than five local judges and may be removed by the Chief Executive on the

recommendation of the tribunal and in accordance with the procedures prescribed in this Law.

Article 89

The Chief Justice of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region.

In addition to the procedures prescribed in Articles 87 and 88 of this Law, the appointment and removal of judges of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region shall be made by the Chief Executive with the endorsement of the Legislative Council of the Region and reported to the Standing Committee of the National People's Congress for the record.

Article 90

The Hong Kong Special Administrative Region shall maintain the previous system of appointment and removal of members of the judiciary other than judges.

Article 91

Judges and other members of the judiciary of the Hong Kong Special Administrative Region shall be chosen by reference to their judicial and professional qualities and may be recruited from other common law jurisdictions.

Article 92

Judges and other members of the judiciary serving in Hong Kong before the establishment of the Hong Kong Special Administrative Region may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

The Government of the Hong Kong Special Administrative Region shall pay to judges and other members of the judiciary who retire or leave the service in compliance with regulations as well as to those who have retired or left the service before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less

favourable than before, and irrespective of their nationality or place of residence.

Article 93

On the basis of the system previously operating in Hong Kong, the Government of the Hong Kong Special Administrative Region may make provisions for local lawyers and lawyers from outside Hong Kong to work and practise in the Region.

Article 94

The Hong Kong Special Administrative Region may, through consultation and in accordance with law, maintain judicial relations with the judicial organs of other parts of the country, and they may render assistance to each other.

Article 95

With the assistance or authorization of the Central People's Government, the Government of the Hong Kong Special Administrative Region may make appropriate arrangements with foreign states for reciprocal judicial assistance.

Section 5: District Organizations

Article 96

District organizations which are not organs of political power may be established in the Hong Kong Special Administrative Region, to be consulted by the government of the Region on district administration and other affairs, or to be responsible for providing services in such fields as culture, recreation and environmental sanitation.

Article 97

The powers and functions of the district organizations and their composition shall be prescribed by law.

Section 6: Public Servants

Article 98

Public servants serving in all government departments of the Hong Kong Special Administrative Region must be permanent residents of the Region, except where otherwise provided for in Article 100 regarding public servants of foreign nationalities in this Law and except for those below a certain rank as prescribed by law.

Public servants must be dedicated to their duties and be responsible to the Government of the Hong Kong Special Administrative Region.

Article 99

Public servants serving in all Hong Kong government departments, including the police department, before the establishment of the Hong Kong Special Administrative Region, may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

Article 100

The Government of the Hong Kong Special Administrative Region may employ British and other foreign nationals previously serving in the public service in Hong Kong, or those holding permanent identity cards of the Region, to serve as public servants at all levels, but only Chinese citizens among permanent residents of the Region may fill the following posts: the Secretaries and Deputy Secretaries of Departments, Directors of Bureaus, Commissioner Against Corruption, Director of Audit and Commissioner of Police.

The Government of the Hong Kong Special Administrative Region may also employ British and other foreign nationals as advisers to government departments and, when required, may recruit qualified candidates from outside the Region to professional and technical posts in government departments. These foreign nationals shall be employed only in their individual capacities and shall be responsible to the government of the Region.

Article 101

The Government of the Hong Kong Special Administrative Region shall pay to public servants who retire or leave the service in compliance with regulations as well as to those who have retired or left the service in compliance with regulations before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less favourable than before, and irrespective of their nationality or place of residence.

Article 102

The appointment and promotion of public servants shall be on the basis of their qualifications, experience and ability. Hong Kong's previous system of recruitment, employment, assessment, discipline, training and management for the public service, including special bodies for their appointment, pay and conditions of service, shall be maintained, except for any provisions for privileged treatment of foreign nationals.

Article 103

The Chief Executive, principal officials, members of the Executive Council and of the Legislative Council, judges of courts at all levels and other members of the judiciary in the Hong Kong Special Administrative Region must be sworn in according to law when assuming office.

Chapter V: Economy

Section 1: Public Finance, Monetary Affairs, Trade, Industry and Commerce

Article 104

The Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the acquisition, use, disposal and inheritance of private property and their right to compensation for lawful deprivation of their property.

Such compensation shall correspond to the real value of the property concerned and shall be freely convertible and paid without undue delay.

The ownership of enterprises and the investments from outside the Region shall be protected by law.

Article 105

The Hong Kong Special Administrative Region shall have independent finances.

The Hong Kong Special Administrative Region shall use its financial revenues exclusively for its own purposes, and they shall not be handed over to the Central People's Government.

The Central People's Government shall not levy taxes in the Hong Kong Special Administrative Region.

Article 106

The Hong Kong Special Administrative Region shall follow the principle of keeping expenditure within the limits of revenues in drawing up its budget, strive for a fiscal balance, avoid deficits and ensure that the budget is commensurate with the growth rate of its gross domestic product.

Article 107

The Hong Kong Special Administrative Region shall practise an independent taxation system.

The Hong Kong Special Administrative Region shall, taking the low tax policy previously pursued in Hong Kong as reference, enact laws on its own concerning types of taxes, tax rates, tax reductions and exemptions and other matters of taxation.

Article 108

The Government of the Hong Kong Special Administrative Region shall create an appropriate economic and legal environment for the maintenance of the status of Hong Kong as an international financial centre.

Article 109

The monetary and financial systems of the Hong Kong Special Administrative Region shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate monetary and financial policies, safeguard the free operation of financial business and financial markets, and regulate and supervise them in accordance with law.

Article 110

The Hong Kong dollar, as the legal tender in the Hong Kong Special Administrative Region, shall continue to circulate.

The authority to issue Hong Kong currency shall be vested in the Government of the Hong Kong Special Administrative Region. The system regarding the issue of Hong Kong currency and the reserve fund system shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region may authorize designated banks to issue or continue to issue Hong Kong currency under statutory authority, after satisfying itself that any issue of currency will be soundly based and that the arrangements for such issue are consistent with the object of maintaining the stability of the currency.

Article 111

No foreign exchange control policies shall be applied in the Hong Kong Special Administrative Region. The Hong Kong dollar shall be freely convertible. Markets for foreign exchange, gold, securities and futures shall continue.

The Government of the Hong Kong Special Administrative Region shall safeguard the free flow of all capital within, into and out of the Region.

Article 112

The Exchange Fund of the Hong Kong Special Administrative Region shall be managed and controlled by the government of the Region, primarily for regulating the exchange value of the Hong Kong dollar.

Article 113

The Hong Kong Special Administrative Region shall maintain the status of a free port and shall not impose any tariff unless otherwise prescribed by law.

Article 114

The Hong Kong Special Administrative Region shall pursue the policy of free trade and safeguard the free movement of goods, intangible assets and capital.

Article 115

The Hong Kong Special Administrative Region shall be a separate customs territory.

The Hong Kong Special Administrative Region may, using the name “Hong Kong, China”, participate in relevant international organizations and international trade agreements, including preferential trade arrangements, such as the General Agreement on Tariffs and Trade and arrangements regarding international trade in textiles.

Export quotas, tariff preferences and other similar arrangements, which are obtained by the Hong Kong Special Administrative Region or

which were obtained and remain valid, shall be enjoyed exclusively by the Region.

Article 116

The Hong Kong Special Administrative Region may issue its own certificates of origin for products in accordance with prevailing rules of origin.

Article 117

The Government of the Hong Kong Special Administrative Region shall create an economic and legal environment for encouraging investments, technological progress and the development of new industries.

Article 118

The Government of the Hong Kong Special Administrative Region shall formulate appropriate policies to promote and co-ordinate the development of various trades such as manufacturing, commerce, tourism, real estate, transport, public utilities, services, agriculture and fishery.

Section 2: Land Leases

Article 119

All leases of land granted, decided upon or renewed before the establishment of the Hong Kong Special Administrative Region which extend beyond 30 June 1997, and all rights in relation to such leases, shall continue to be recognized and protected under the law of the Region.

Article 120

As regards leases of land granted or renewed where the original leases contain no right of renewal, during the period from 27 May 1985 to 30 June 1997, which extend beyond 30 June 1997 and expire not later than 30 June 2047, the lessee is not required to pay an additional premium as from 1 July 1997, but an annual rent equivalent to 3 per cent of the rateable value of the property at that date, adjusted in step with any changes in the rateable value thereafter, shall be charged.

Article 121

In the case of old schedule lots, village lots, small houses and similar rural holdings, where the property was on 30 June 1984 held by, or, in the case of small houses granted after that date, where property is granted to, a lessee descended through the male line from a person who was in 1898 a resident of an established village in Hong Kong, the previous rent shall remain unchanged so long as the property is held by that lessee or by one of his lawful successors in the male line.

Article 122

Where leases of land without a right of renewal expire after the establishment of the Hong Kong Special Administrative Region, they shall be dealt with in accordance with laws and policies formulated by the Region on its own.

Section 3: Shipping

Article 123

The Hong Kong Special Administrative Region shall maintain Hong Kong's previous systems of shipping management and shipping regulation, including the system of management concerning seamen.

The Government of the Hong Kong Special Administrative Region shall, on its own, define its specific functions and responsibilities in respect of shipping.

Article 124

The Hong Kong Special Administrative Region shall be authorized by the Central People's Government to continue to maintain a shipping register and issue related certificates under its legislation, using the name "Hong Kong, China".

Article 125

With the exception of foreign warships, access for which requires the special permission of the Central People's Government, ships shall enjoy access to the ports of the Hong Kong Special Administrative Region in accordance with the laws of the Region.

Article 126

Private shipping businesses and shipping-related businesses and private container terminals in the Hong Kong Special Administrative Region may continue to operate freely.

Section 4: Civil Aviation

Article 127

The Government of the Hong Kong Special Administrative Region shall create conditions and take measures for the maintenance of the status of Hong Kong as a centre of international and regional aviation.

Article 128

The Hong Kong Special Administrative Region shall continue the previous system of civil aviation management in Hong Kong and keep its own aircraft register in accordance with provisions laid down by the Central People's Government concerning nationality marks and registration marks of aircraft.

Access of foreign state aircraft to the Hong Kong Special Administrative Region requires the special permission of the Central People's Government.

Article 129

The Hong Kong Special Administrative Region shall be responsible on its own for matters of routine business and technical management of civil aviation, including the management of airports, the provision of air traffic services within the flight information region of the Hong Kong Special Administrative Region, and the discharge of other responsibilities allocated to it under the regional air navigation procedures of the International Civil Aviation Organization.

Article 130

The Central People's Government shall, in consultation with the Government of the Hong Kong Special Administrative Region, make arrangements providing for air services between the Region and other

parts of the People's Republic of China for airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong and other airlines of the People's Republic of China.

Article 131

All air service agreements providing for air services between other parts of the People's Republic of China and other states and regions with stops at the Hong Kong Special Administrative Region and for air services between the Hong Kong Special Administrative Region and other states and regions with stops at other parts of the People's Republic of China shall be concluded by the Central People's Government.

In concluding the air service agreements referred to in the first paragraph of this Article, the Central People's Government shall take account of the special conditions and economic interests of the Hong Kong Special Administrative Region and consult the government of the Region.

Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of the delegations of the Government of the People's Republic of China, in air service consultations with foreign governments concerning arrangements for such services referred to in the first paragraph of this Article.

Article 132

Acting under specific authorizations from the Central People's Government, the Government of the Hong Kong Special Administrative Region may:

- (1) renew or amend air service agreements and arrangements previously in force;
- (2) negotiate and conclude new air service agreements providing routes for airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong and rights for over-flights and technical stops; and

- (3) negotiate and conclude provisional arrangements with foreign states or regions with which no air service agreements have been concluded.

All scheduled air services to, from or through Hong Kong, which do not operate to, from or through the mainland of China shall be regulated by the air service agreements or provisional arrangements referred to in this Article.

Article 133

The Central People's Government shall give the Government of the Hong Kong Special Administrative Region the authority to:

- (1) negotiate and conclude with other authorities all arrangements concerning the implementation of the air service agreements and provisional arrangements referred to in Article 132 of this Law;
- (2) issue licences to airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong;
- (3) designate such airlines under the air service agreements and provisional arrangements referred to in Article 132 of this Law; and
- (4) issue permits to foreign airlines for services other than those to, from or through the mainland of China.

Article 134

Airlines incorporated and having their principal place of business in Hong Kong and civil aviation related businesses there prior to the establishment of the Hong Kong Special Administrative Region may continue to operate.

Chapter VI: Education, Science, Culture, Sports, Religion, Labour and Social Services

Article 135

On the basis of the previous educational system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on the development and improvement of education, including policies regarding the educational system and its administration, the language of instruction, the allocation of funds, the examination system, the system of academic awards and the recognition of educational qualifications.

Community organizations and individuals may, in accordance with law, run educational undertakings of various kinds in the Hong Kong Special Administrative Region.

Article 136

Educational institutions of all kinds may retain their autonomy and enjoy academic freedom. They may continue to recruit staff and use teaching materials from outside the Hong Kong Special Administrative Region. Schools run by religious organizations may continue to provide religious education, including courses on religion.

Students shall enjoy freedom of choice of educational institutions and freedom to pursue their education outside the Hong Kong Special Administrative Region.

Article 137

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies to develop Western and traditional Chinese medicine and to improve medical and health services. Community organizations and individuals may provide various medical and health services in accordance with law.

Article 138

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on science and technology and protect by law achievements in scientific and technological research, patents, discoveries and inventions.

The Government of the Hong Kong Special Administrative Region shall, on its own, decide on the scientific and technological standards and specifications applicable in Hong Kong.

Article 139

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on culture and protect by law the achievements and the legitimate rights and interests of authors in their literary and artistic pursuits.

Article 140

The Government of the Hong Kong Special Administrative Region shall not restrict the freedom of religious belief, interfere in the internal affairs of religious organizations or restrict religious activities which do not contravene the laws of the Region.

Religious organizations shall, in accordance with law, enjoy the rights to acquire, use, dispose of and inherit property and the right to receive financial assistance. Their previous property rights and interests shall be maintained and protected.

Religious organizations may, according to their previous practice, continue to run seminaries and other schools, hospitals and welfare institutions and to provide other social services.

Religious organizations and believers in the Hong Kong Special Administrative Region may maintain and develop their relations with religious organizations and believers elsewhere.

Article 141

The Government of the Hong Kong Special Administrative Region shall, on the basis of maintaining the previous systems concerning the professions, work out on its own the methods of assessing the qualifications for professional practice for the various professions.

Persons with professional qualifications or qualifications for professional practice obtained prior to the establishment of the Hong Kong Special Administrative Region may retain their previous qualifications, in accordance with the relevant regulations and codes of practice.

The Government of the Hong Kong Special Administrative Region shall continue to recognize the professions and the professional organizations recognized prior to the establishment of the Region, and these organizations may, on their own, assess and accredit professional qualifications.

The Government of the Hong Kong Special Administrative Region may, as required by developments in society and in consultation with the parties concerned, recognize new professions and professional organizations.

Article 142

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on sports. Non-governmental sports organizations may continue to exist and develop in accordance with law.

Article 143

The Government of the Hong Kong Special Administrative Region shall maintain the policy previously practised in Hong Kong in respect of subventions for non-governmental organizations in fields such as education, medicine and health, culture, art, recreation, sports, social welfare and social work. Staff previously serving in subventioned organizations in Hong Kong may remain in their employment in accordance with the previous system.

Article 144

On the basis of the previous social welfare system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate laws and policies on the development and improvement of this system in the light of the economic conditions and social needs.

Article 145

Voluntary organizations providing social services in the Hong Kong Special Administrative Region may, on their own, decide their forms of service, provided that the laws of the Region are not contravened.

Article 146

The Government of the Hong Kong Special Administrative Region shall formulate labour laws and policies on its own.

Article 147

The relationship between non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region and their counterparts on the mainland shall be based on the principles of non-subordination, non-interference and mutual respect.

Article 148

Non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region may maintain and develop relations with foreign countries and other regions and with relevant international organizations. They may, as required, use the name "Hong Kong, China" in the relevant activities.

Chapter VII: External Affairs

Article 149

Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of delegations of the Government of the People's Republic of China, in negotiations conducted by the Central People's Government at the diplomatic level and directly affecting the Region.

Article 150

The Hong Kong Special Administrative Region may, on its own, using the name "Hong Kong, China", maintain and develop relations and conclude and implement agreements with states, regions and relevant international organizations in the appropriate fields, including the economic, trade, financial and monetary, shipping, communications, tourism, cultural and sports fields.

Article 151

Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of delegations of the Government of the People's Republic of China, in international organizations or conferences in appropriate fields limited to states and affecting the Region, or may attend in such other capacity as may be permitted by the Central People's Government and the international organization or conference concerned, and may express their views, using the name "Hong Kong, China".

The Hong Kong Special Administrative Region may, using the name "Hong Kong, China", participate in international organizations and conferences not limited to states.

The Central People's Government shall take the necessary steps to ensure that the Hong Kong Special Administrative Region shall continue to retain its status in an appropriate capacity in those international organizations of which the People's Republic of China is a member and in which Hong Kong participates in one capacity or another.

The Central People's Government shall, where necessary, facilitate the continued participation of the Hong Kong Special Administrative

Region in an appropriate capacity in those international organizations in which Hong Kong is a participant in one capacity or another, but of which the People's Republic of China is not a member.

Article 152

The application to the Hong Kong Special Administrative Region of international agreements to which the People's Republic of China is or becomes a party shall be decided by the Central People's Government, in accordance with the circumstances and needs of the Region, and after seeking the views of the government of the Region.

International agreements to which the People's Republic of China is not a party but which are implemented in Hong Kong may continue to be implemented in the Hong Kong Special Administrative Region. The Central People's Government shall, as necessary, authorize or assist the government of the Region to make appropriate arrangements for the application to the Region of other relevant international agreements.

Article 153

The Central People's Government shall authorize the Government of the Hong Kong Special Administrative Region to issue, in accordance with law, passports of the Hong Kong Special Administrative Region of the People's Republic of China to all Chinese citizens who hold permanent identity cards of the Region, and travel documents of the Hong Kong Special Administrative Region of the People's Republic of China to all other persons lawfully residing in the Region. The above passports and documents shall be valid for all states and regions and shall record the holder's right to return to Hong Kong.

The Government of the Hong Kong Special Administrative Region may apply immigration controls on entry into, stay in and departure from the Region by persons from foreign states and regions.

Article 154

The Central People's Government shall assist or authorize the Government of the Hong Kong Special Administrative Region to conclude visa exemption agreements with states or regions.

Article 155

The Hong Kong Special Administrative Region may, as necessary, establish official or semi-official economic and trade missions in foreign countries and shall report the establishment of such missions to the Central People's Government for the record.

Article 156

The establishment of foreign consular and other official or semi-official missions in the Hong Kong Special Administrative Region shall require the approval of the Central People's Government.

Consular and other official missions established in Hong Kong by states which have formal diplomatic relations with the People's Republic of China may be maintained.

According to the circumstances of each case, consular and other official missions established in Hong Kong by states which have no formal diplomatic relations with the People's Republic of China may be permitted either to remain or be changed to semi-official missions.

States not recognized by the People's Republic of China may only establish non-governmental institutions in Hong Kong.

Chapter VIII: Interpretation and Amendment of the Basic Law

Article 157

The power of interpretation of this Law shall be vested in the Standing Committee of the National People's Congress.

The Standing Committee of the National People's Congress shall authorize the courts of the Hong Kong Special Administrative Region to interpret on their own, in adjudicating cases before them, the provisions of this Law which are within the limits of the autonomy of the Region.

The courts of the Hong Kong Special Administrative Region may also interpret other provisions of this Law in adjudicating cases before them. However, if the courts of the Region, in adjudicating cases before them, need to interpret the provisions of this Law concerning affairs which are the responsibility of the Central People's Government, or the relationship between the Central Authorities and the Region, and if such interpretation will affect the judgments on the cases, the courts of the Region shall, before making their final judgments which are not appealable, seek an interpretation of the relevant provisions from the Standing Committee of the National People's Congress through the Court of Final Appeal of the Region. When the Standing Committee makes an interpretation of the provisions concerned, the courts of the Region, in applying those provisions, shall follow the interpretation of the Standing Committee. However, judgments previously rendered shall not be affected.

The Standing Committee of the National People's Congress shall consult its Committee for the Basic Law of the Hong Kong Special Administrative Region before giving an interpretation of this Law.

Article 158

The power of amendment of this Law shall be vested in the National People's Congress.

The power to propose amendments to this Law shall be vested in the Standing Committee of the National People's Congress, the State Council and the Hong Kong Special Administrative Region. Amendment proposals from the Hong Kong Special Administrative

Region shall be submitted to the National People's Congress by the delegation of the Region to the National People's Congress after obtaining the consent of two-thirds of the deputies of the Region to the *National People's Congress*, *two-thirds of all the members of the* Legislative Council of the Region, and the Chief Executive of the Region.

Before a proposal for an amendment to this Law is put on the agenda of the National People's Congress, the Committee for the Basic Law of the Hong Kong Special Administrative Region shall study it and submit its views:

No amendment to this Law shall contravene the established basic policies of the People's Republic of China regarding Hong Kong.

Chapter IX: Supplementary Provisions

Article 159

Upon the establishment of the Hong Kong Special Administrative Region, the laws previously in force in Hong Kong shall be adopted as laws of the Region except for those which the Standing Committee of the National People's Congress declares to be inconsistent with this Law. If any laws are later discovered to be inconsistent with this Law, they shall be revised or cease to have force in accordance with the procedure as prescribed by this Law.

Documents, certificates, contracts, and rights and obligations valid under the laws previously in force in Hong Kong shall continue to be valid and be recognized and protected by the Hong Kong Special Administrative Region, provided that they are not inconsistent with this Law.

Annex I: Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region

1. The Chief Executive shall be elected by a broadly representative Election Committee and appointed by the Central People's Government.

2. The Election Committee shall be composed of 800 members from the following sectors:

Industrial, commercial and financial sectors	200
The professions	200
Labour, social services, religious communities and other sectors	200
Legislative Councillors, members of district organizations, Hong Kong deputies to the National People's Congress, Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference	200

3. The delimitation of the various sectors and the number of Election Committee members returned by individual organizations in each sector shall be prescribed by the electoral law of the Hong Kong Special Administrative Region.

Corporate bodies in various sectors shall, in accordance with the number of seats allocated and the election method as prescribed by the electoral law, elect members of the Election Committee.

Members of the Election Committee shall vote in their individual capacities.

4. Candidates for the office of Chief Executive may be nominated jointly by no less than 100 members of the Election Committee. Each member may nominate only one candidate.

5. The Election Committee shall, in accordance with the list of nominations, elect the Chief Executive designate by secret ballot on a one-person-one-vote basis. The specific election method shall be prescribed by the electoral law.

6. The Election Committee shall be dissolved after the appointment of the Chief Executive by the Central People's Government.

7. The first Chief Executive shall be selected in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region".

The second and third Chief Executives shall be selected in accordance with the method specified in this Annex.

During the term of office of the third Chief Executive, the Legislative Council shall formulate a specific method to decide, through a referendum in the Region, whether the Chief Executive shall be selected by general election after nominations are made by a broadly representative nominating committee in accordance with democratic procedures. The result of the referendum shall be reported to the Standing Committee of the National People's Congress for the record.

The above-mentioned referendum shall only be held with the endorsement of the majority of members of the Legislative Council, the consent of the Chief Executive and the approval of the Standing Committee of the National People's Congress. The result of the referendum shall only be valid and effective with the affirmative vote of more than 30 per cent of the eligible voters.

8. If it is decided by the above-mentioned referendum that the Chief Executive shall be selected by general election, general election shall be held from the fourth term onwards. If it is decided otherwise by the referendum, referendum shall be held every ten years in accordance with the provisions of Item 7 of this Annex.

9. Apart from the provisions of Items 7 and 8 of this Annex, if there is a need to make other amendments to the method for selecting the Chief Executive, such amendments may be made with the endorsement of a two-thirds majority of the members of the Legislative Council and the consent of the Chief Executive, and shall be reported to the Standing Committee of the National People's Congress for the record.

Annex II: Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region

1. The Legislative Council of the Hong Kong Special Administrative Region shall be constituted as follows for the first four terms:

First Term

Total number of members of the Legislative Council : 55

- | | |
|---|----|
| (1) District representatives | 15 |
| (2) Representatives from the industrial, commercial and financial sectors | 16 |
| (3) Representatives from the professions | 12 |
| (4) Representatives from labour, social services, religious communities and other sectors | 12 |

Second Term

Total number of members of the Legislative Council : 65

- | | |
|---|----|
| (1) Representatives selected by district general election | 25 |
| (2) Representatives from the industrial, commercial and financial sectors | 16 |
| (3) Representatives from the professions | 12 |
| (4) Representatives from labour, social services, religious communities and other sectors | 12 |

Third and Fourth Terms

Total number of members of the Legislative Council : 80

(1) Representatives selected by district general election	40
(2) Representatives from the industrial, commercial and financial sectors	16
(3) Representatives from the professions	12
(4) Representatives from labour, social services, religious communities and other sectors	12

2. The division of constituencies, voting method, delimitation of various sectors and corporate bodies therein, allocation of seats, election method, etc. shall be specified by the electoral law of the Hong Kong Special Administrative Region.

Each voter shall have one vote only.

3. The first Legislative Council shall be constituted in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region".

The Legislative Council of the first four terms shall be constituted in accordance with the provisions of this Annex. During the term of office of the fourth Legislative Council, the Legislative Council shall formulate a specific method to decide, through a referendum in the Region, whether all members of the Legislative Council shall be selected by general election. The result of the referendum shall be reported to the Standing Committee of the National People's Congress for the record.

The above-mentioned referendum shall only be held with the endorsement of the majority of members of the Legislative Council, the consent of the Chief Executive and the approval of the Standing Committee of the National People's Congress. The result of the referendum shall only be valid and effective with the affirmative vote of more than 30 per cent of the eligible voters.

4. If it is decided by the above-mentioned referendum that all members of the Legislative Council shall be selected by general election,

general election shall be held from the fifth term onwards. If it is decided otherwise by the referendum, referendum shall be held every ten years in accordance with the provisions of Item 3 of this Annex.

5. Apart from the provisions of Items 3 and 4 of this Annex, other amendments shall require the endorsement of a two-thirds majority of the members of the Legislative Council and the consent of the Chief Executive, and shall be reported to the Standing Committee of the National People's Congress for the record.

Annex III: National Laws to be Applied in the Hong Kong Special Administrative Region

The following national laws shall be applied locally by the Hong Kong Special Administrative Region by way of promulgation or legislation from 1 July 1997 :

1. Resolution on the Capital, Calendar, National Anthem and National Flag of the People's Republic of China
2. Resolution on the National Day of the People's Republic of China
3. Order on the National Emblem of the People's Republic of China Proclaimed by the Central People's Government
Attached : Design of the national emblem, notes of explanation and instructions for use
4. Declaration of the Government of the People's Republic of China on the Territorial Sea
5. Nationality Law of the People's Republic of China
6. Regulations of the People's Republic of China Concerning Diplomatic Privileges and Immunities

Appendices

**Decision of the National People's Congress
of the People's Republic of China
on the Method for the Formation of the First Government
and the First Legislative Council
of the Hong Kong Special Administrative Region
(Draft drawn up for the National People's Congress)**

1. The first Government and the first Legislative Council of the Hong Kong Special Administrative Region shall be formed in accordance with the principles of state sovereignty and smooth transition.

2. Within the year of 1996, the National People's Congress shall establish a Preparatory Committee for the Hong Kong Special Administrative Region, which shall be responsible for preparing the establishment of the Region and shall decide on the specific method on the formation of the first government. The Preparatory Committee shall be composed of mainland members and of Hong Kong members who shall constitute no less than 50 per cent of its membership. Its chairman and members shall be appointed by the Standing Committee of the National People's Congress.

3. The Preparatory Committee for the Hong Kong Special Administrative Region shall be responsible for preparing the establishment of the Election Committee for the First Government of the Hong Kong Special Administrative Region (hereinafter referred to as the "Election Committee").

The Election Committee shall be composed entirely of permanent residents of Hong Kong and must be broadly representative. It shall include Hong Kong deputies to the National People's Congress of the People's Republic of China, representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference, persons with practical experience who served in Hong Kong's executive, legislative and advisory organs prior to the establishment of the Hong Kong Special Administrative Region, and persons representative of all strata and sectors of society.

The Election Committee shall be composed of 400 members from the following sectors:

Industrial, commercial and financial sectors	25 per cent
The professions	25 per cent
Labour, grass-roots and religious organizations	25 per cent
Former political figures, Hong Kong deputies to the National People's Congress, and representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference	25 per cent

4. The Election Committee shall recommend the candidate for the first Chief Executive through local consultation or through local election after consultation, and report the recommended candidate to the Central People's Government for appointment. The term of office of the first Chief Executive shall be the same as the regular term.

5. The Chief Executive of the Hong Kong Special Administrative Region shall be responsible for preparing the formation of the first government of the Region according to this Law.

6. The first Legislative Council of the Hong Kong Special Administrative Region shall be composed of 55 members, with 15 district representatives, 16 from the industrial, commercial and financial sectors, 12 from the professions, and 12 from labour, social services, religious communities and other sectors. Former members of the last Hong Kong Legislative Council who support the Basic Law of the Hong Kong Special Administrative Region, are willing to loyally serve the Hong Kong Special Administrative Region, and meet the requirements set forth in the Basic Law will, upon confirmation by the Preparatory Committee, become members of the first Legislative Council of the Region. Any vacancy therein shall be filled through election conducted by the Election Committee.

The term of office of members of the first Legislative Council of the Hong Kong Special Administrative Region shall be two years.

7. The first Chief Executive and members of the first Legislative Council of the Hong Kong Special Administrative Region shall be sworn in to office on 1 July 1997.

The first Government and the first Legislative Council of the Hong Kong Special Administrative Region shall be inaugurated simultaneously on 1 July 1997.

14 January 1989

The Standing Committee
of the National People's Congress,

After the Basic Law of the Hong Kong Special Administrative Region takes effect, an institution will be needed to study questions concerning the implementation of certain articles of the Basic Law and to submit its views to the Standing Committee of the National People's Congress. Hence, we recommend that upon the coming into force of the Basic Law, a working committee under the Standing Committee of the National People's Congress be established. The working committee shall be composed of mainland and Hong Kong members appointed by the Standing Committee of the National People's Congress. Enclosed is a detailed plan for your consideration and decision.

The Drafting Committee for the Basic Law
of the Hong Kong Special Administrative Region

**Proposal by the Drafting Committee for the Basic Law
of the Hong Kong Special Administrative Region
on the Establishment of the Committee for the Basic Law
of the Hong Kong Special Administrative Region
of the Standing Committee of the National People's Congress**

1. Name: The Committee for the Basic Law of the Hong Kong Special Administrative Region of the Standing Committee of the National People's Congress.

2. Affiliation: A working committee under the Standing Committee of the National People's Congress.

3. Function: To study questions concerning the implementation of Articles 17, 18, 157 and 158 of the Basic Law of the Hong Kong Special Administrative Region and submit its views thereon to the Standing Committee of the National People's Congress.

4. Composition: Twelve members, six from the mainland and six from Hong Kong, including persons from the legal profession, appointed by the Standing Committee of the National People's Congress for a term of office of five years. Hong Kong members shall be Chinese citizens who are permanent residents of the Hong Kong Special Administrative Region and shall be nominated jointly by the Chief Executive, President of the Legislative Council and Chief Justice of the Court of Final Appeal of the Region for appointment by the Standing Committee of the National People's Congress.



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