

(Courtesy Translation)

**Arrangement between the National Development and Reform Commission  
and the Government of the Hong Kong Special Administrative Region for  
Advancing Hong Kong's Full Participation in and Contribution to  
the Belt and Road Initiative**

To fully leverage the advantages of the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), and to support its participation in and contribution to the Belt and Road Initiative, the National Development and Reform Commission (NDRC) and the Government of the Hong Kong Special Administrative Region (hereinafter referred to as “the Parties”) have unanimously agreed after consultations, with the approval of the State Council, to enter into the *Arrangement between the National Development and Reform Commission and the Government of the Hong Kong Special Administrative Region for Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative* (hereinafter referred to as “the Arrangement”).

**I. Principles and Objectives**

To fully and accurately implement the principle of “One Country, Two Systems” under the framework of the Constitution and the Basic Law, the Parties are willing to act on the *Vision and Actions on Jointly Building Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road*, following the principle of “market operation under government guidance” and exercising the government’s role as a “facilitator” and a “promoter”, to strengthen communication and consultation for realising the “five areas of connectivity” and make suitable arrangements for fully leveraging the unique advantages of Hong Kong in commerce and trade, finance and professional services for participating in and contributing to the Belt and Road Initiative, with a view to achieving mutually complimentary and co-ordinated development between the Mainland and Hong Kong.

## **II. Key Areas**

### **(a) Finance and Investment**

1. On the basis that relevant regulations governing the financial market and the financial sector are complied with, to facilitate co-operation of all key stakeholders (including investment and financing parties and project operators) through the platform of Hong Kong to provide for the Belt and Road Initiative the funds required as well as a diversity of financing channels, including listing, syndicated loans, private equity funds and bond financing services, etc.
2. To support the Hong Kong Monetary Authority Infrastructure Financing Facilitation Office (IFFO) to continue to play its role in facilitating the investment and financing of infrastructure projects by working with a cluster of key stakeholders.
3. To develop a green bond market on the basis of Hong Kong's platform by supporting qualified Chinese enterprises to raise funds through issuing bonds in Hong Kong for green projects relating to the Belt and Road Initiative; and to promote the setting up of an internationally recognised green bond certification institution.
4. To fully leverage Hong Kong's status as the global offshore Renminbi (RMB) business hub to support RMB internationalisation by enhancing the channels for two-way cross-border RMB fund flows between the Mainland and Hong Kong, promoting the Cross-Border Interbank Payment System (CIPS) as a platform for payment and settlement for cross-border RMB business, promoting further mutual access between the capital markets in the Mainland and Hong Kong, and facilitating cross-border regulated investment activities in an orderly manner.
5. To support financial institutions (including investment institutions and multilateral development banks) participating in the Belt and Road Initiative to further enhance co-operation and connection with Hong Kong by having the aforementioned institutions set up subsidiaries providing services such as fund and market operations in Hong Kong as needed, and encouraging those already have offices in Hong Kong to further develop their businesses in Hong Kong, on the basis that relevant legal requirements, regulations and procedures are complied with.
6. To encourage Hong Kong and Mainland enterprises and financial

institutions to jointly participate in and contribute to Belt and Road projects and to co-operate with relevant local authorities, enterprises and financial institutions of places wherein the projects take place, so as to further explore the implementation of projects through public-private-partnership (PPP), and to put in place project co-operation mechanisms and agreement templates by making reference to international standards, with a view to fully deploying social investment.

**(b) Infrastructure and Maritime Services**

7. To support Hong Kong to provide feasibility and risk assessment, research and development, financing as well as professional services such as planning, design, construction, project supervision and management, operation and maintenance, etc., for the Belt and Road infrastructure projects; and to encourage Mainland enterprises to use Hong Kong as a platform to “go global” in partnership with Hong Kong enterprises, so as to jointly expand the infrastructure market of related countries and regions.

8. To support Hong Kong to provide professional services such as insurance and re-insurance for large-scale infrastructure projects under the Belt and Road Initiative; and to encourage Mainland enterprises to establish captive insurance companies in Hong Kong as appropriate to underwrite the risks arising from for their overseas businesses, thereby enhancing their corporate risk management system.

9. To make use of the professional edge of Hong Kong in the area of environmental and planning management, such as technologies and services related to environmental impact assessments, green building and pollution control, etc., provided by professional institutions in Hong Kong, to promote compliance with sustainable development and environmental protection requirements, etc., by Belt and Road projects.

10. To support Hong Kong in developing high value-added maritime services, including marine insurance, ship finance, maritime law and dispute resolution, ship management, etc., and encourage Mainland maritime enterprises to make good use of Hong Kong’s professional services, so as to promote the development of Hong Kong as an important international maritime services hub.

11. To reinforce Hong Kong's position as an international aviation hub, promote constructive interaction among the airports in the Pearl River Delta region, and capitalise on the connectivity of Hong Kong's global aviation network, so as to leverage Hong Kong's role as an important gateway in the country's opening-up process.

12. To further promote the development of partnership between the Mainland and Hong Kong in the area of infrastructure, such as information, roads, railways, ports and airports, etc., and actively co-operate with related countries and regions in project outsourcing and labour matters. While leveraging the Mainland's edge in infrastructure design and construction, it will also drive the development of Hong Kong's professional services in the areas of consultation, finance, project management, insurance, etc.

**(c) Economic and Trade Facilitation**

13. To encourage Mainland enterprises to establish their regional headquarters (RHQs) in Hong Kong and use Hong Kong as a front-end platform to access related countries and regions for establishing operations under the framework of the Belt and Road Initiative in compliance with the law ; and to support enterprises from related countries and regions to set up their RHQs in Hong Kong for tapping the Mainland market. This will enable Hong Kong to play a critical role in both "going global" and attracting foreign investment.

14. To support Hong Kong in participating in regional economic co-operation mechanism led by the country, as well as in negotiating and concluding free trade agreements and double taxation relief arrangements with related countries, regions and economic entities.

15. To step up efforts to further open up the Mainland market to Hong Kong, take forward the enhancement of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), and further promote trade and investment with related countries and regions.

**(d) People-to-People Bonds**

16. To encourage the higher education institutions in Hong Kong to actively

co-operate with their counterparts in related countries and regions to attract students from these countries and regions to pursue further studies in Hong Kong so as to nurture talent in various areas.

17. To encourage organising more exchange programmes; to support Hong Kong in exploring the signing of bilateral arrangements for working holiday schemes with countries with appropriate conditions; to provide Hong Kong young people with more internship opportunities in Chinese enterprises in related countries and regions; and to support Hong Kong art institutions and artists to conduct cultural and artistic exchanges with related countries and regions.

18. To support Hong Kong to provide professional training in the areas of public administration, city management, financial regulation, public relations, publicity and marketing, transportation (particularly in aviation), urban rail transit operation, etc., for government authorities, investment institutions and enterprises of related countries and regions.

19. To support organising high-level forum and international exhibitions on the Belt and Road Initiative in Hong Kong; and to support different sectors of Hong Kong to take part in forum and international exhibitions organised in the Mainland on the Belt and Road Initiative.

20. To encourage Hong Kong to leverage its locational advantage in developing “multi-destination” tourism products in collaboration with related countries and regions; and to actively promote Maritime Silk Road travel itineraries by leveraging Hong Kong’s position as an Asian cruise hub. To support Hong Kong in organising conferences and exhibitions on the Belt and Road Initiative, and enhance co-operation with related countries and regions. To support the inclusion of Hong Kong in Belt and Road tourism information platforms to be established by the Mainland, so as to share information on Belt and Road tourism resources and development opportunities, etc.

**(e) Taking Forward the Guangdong-Hong Kong-Macao Bay Area Development**

21. To support Hong Kong to play an active role in participating in and taking

forward the development of the Guangdong-Hong Kong-Macao Bay Area (Bay Area), deeply participating in building the Bay Area technology and innovation hub, and achieving synergy through complementary co-operation with other cities in the Bay Area. To act as a two-way open platform for “going global” together with other Bay Area cities, to develop an important economic support belt to drive the development of the mid-south and southwest regions of the Mainland and radiate the effect to Southeast Asia and South Asia, with a view to actively participating in and contributing to the Belt and Road Initiative. To support Hong Kong to grasp the opportunities brought by the Bay Area development to expand its own economic and social development potential, and to elevate Hong Kong’s status and role in the country’s economic development and opening-up.

22. To deepen co-operation between the Bay Area and related countries and regions in infrastructure connectivity, commerce and trade, finance, legal and dispute resolution services, ecological and environmental protection and people-to-people exchanges, to further improve the platform for opening up, and to build an important support area for pursuing the Belt and Road Initiative.

**(f) Enhancing Collaboration in Project Interfacing and Dispute Resolution Services**

23. To further improve the communication mechanism between the Mainland and Hong Kong on investment co-operation related to the Belt and Road Initiative and explore the setting up of a repository on Belt and Road projects. Through establishing the repository and exchanging relevant information, Hong Kong can be seamlessly connected to the relevant Mainland authorities, trade and investment promotion organisations, as well as Mainland trade associations, enterprises and financial institutions participating in the projects.

24. To encourage enterprises and financial institutions in Hong Kong and the Mainland to leverage their respective advantages, and to make good use of the Mainland’s investment promotion organisations as well as overseas networks established by the Hong Kong Government’s overseas Economic and Trade Offices, the Hong Kong Trade and Development Council and the Hong Kong Tourism Board to “go global” through various forms of co-operation, such as jointly organising visits,

promotional activities and trade missions to related countries.

25. To further encourage Mainland and Hong Kong enterprises and financial institutions participating in and contributing to the Belt and Road Initiative to form strategic partnerships and jointly take part in project investment and development of industrial parks, thereby reducing the risks to these enterprises in investing in related countries.

26. To support Hong Kong in establishing itself as a centre for international legal and dispute resolution services in the Asia-Pacific region to provide relevant services for the Belt and Road Initiative.

### **III. Mechanism**

- (a) To set up a Joint Conference mechanism comprising responsible officials from NDRC, Hong Kong and Macao Affairs Office of the State Council and other relevant departments as well as senior representatives of the Government of the Hong Kong Special Administrative Region .
- (b) The Joint Conference will conduct a regular meeting at least once a year to communicate and discuss major issues and co-operation projects related to Hong Kong's participation in and contribution to the Belt and Road Initiative, summarise work progress, consider annual work priorities, and deal with new situations and new problems arising from the implementation of the Arrangement.

This Arrangement shall come into effect on the day of signature by the representatives of the Parties.

**Chairman of the National Development  
and Reform Commission**

**Chief Executive of the Hong Kong  
Special Administrative Region**

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