

in the name of Allaah, the Beneficent, the Merciful

Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China have reviewed with satisfaction the friendly relations existing between the two Governments and peoples in recent years and agreed that a proper negotiated settlement of the question of Hong Kong, which is left over from the past, is conducive to the maintenance of the prosperity and stability of Hong Kong and to the further strengthening and development of the relations between the two countries on a new basis. To this end, they have, after talks between the delegations of the two Governments, agreed to declare as follows:

1. The Government of the People's Republic of China declares that to recover the Hong Kong area (including Hong Kong Island, Kowloon and the New Territories, hereinafter referred to as Hong Kong) is the common aspiration of the entire Chinese people, and that it has decided to resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997.
2. The Government of the United Kingdom declares that it will restore Hong Kong to the People's Republic of China with effect from 1 July 1997.
3. The Government of the People's Republic of China declares that the basic policies of the People's Republic of China regarding Hong Kong are as follows:
 - (1) Upholding national unity and territorial integrity and taking account of the history of Hong Kong and its realities, the People's Republic of China has decided to establish, in accordance with the provisions of Article 31 of the Constitution of the People's Republic of China, a Hong Kong Special Administrative Region upon resuming the exercise of sovereignty over Hong Kong. (2) The Hong Kong Special Administrative Region will be directly under the authority of the Central People's Government of the People's Republic of China. The Hong Kong Special Administrative Region will enjoy a high degree of autonomy, except in foreign and defence affairs which are the responsibilities of the Central People's Government.
 - (3) The Hong Kong Special Administrative Region will be vested with executive, legislative and independent judicial power, including that of final adjudication. The laws currently in force in Hong Kong will remain basically unchanged.
 - (4) The Government of the Hong Kong Special Administrative Region will be composed of local inhabitants. The chief executive will be appointed by the Central People's Government on the basis of the results of elections or consultations to be held locally. Principal officials will be nominated by the chief executive of the Hong Kong Special Administrative Region for appointment by the Central People's Government. Chinese and foreign nationals previously working in the public and police services in the government departments of Hong Kong may remain in employment. British and other foreign nationals may also be employed to serve as advisers or hold certain public posts in government departments of the Hong Kong Special Administrative Region.
 - (5) The current social and economic systems in Hong Kong will remain unchanged, and so will the life-style. Rights and freedoms, including those of the person, of speech, of the press, of assembly, of association, of travel, of movement, of correspondence, of strike, of choice of occupation, of academic research and of religious belief will be ensured by law in the Hong Kong Special Administrative Region. Private property, ownership of enterprises, legitimate right of inheritance and foreign investment will be protected by law.

(6) The Hong Kong Special Administrative Region will retain the status of a free port and a separate customs territory.

(7) The Hong Kong Special Administrative Region will retain the status of an international financial centre, and its markets for foreign exchange, gold, securities and futures will continue. There will be free flow of capital. The Hong Kong dollar will continue to circulate and remain freely convertible.

(8) The Hong Kong Special Administrative Region will have independent finances. The Central People's Government will not levy taxes on the Hong Kong Special Administrative Region.

(9) The Hong Kong Special Administrative Region may establish mutually beneficial economic relations with the United Kingdom and other countries, whose economic interests in Hong Kong will be given due regard.

(10) Using the name of 'Hong Kong, China', the Hong Kong Special Administrative Region may on its own maintain and develop economic and cultural relations and conclude relevant agreements with states, regions and relevant international organisations. The Government of the Hong Kong Special Administrative Region may on its own issue travel documents for entry into and exit from Hong Kong.

(11) The maintenance of public order in the Hong Kong Special Administrative Region will be the responsibility of the Government of the Hong Kong Special Administrative Region.

(12) The above-stated basic policies of the People's Republic of China regarding Hong Kong and the elaboration of them in Annex I to this Joint Declaration will be stipulated, in a Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, by the National People's Congress of the People's Republic of China, and they will remain unchanged for 50 years.

4. The Government of the United Kingdom and the Government of the People's Republic of China declare that, during the transitional period between the date of the entry into force of this Joint Declaration and 30 June 1997, the Government of the United Kingdom will be responsible for the administration of Hong Kong with the object of maintaining and preserving its economic prosperity and social stability; and that the Government of the People's Republic of China will give its cooperation in this connection.

5. The Government of the United Kingdom and the Government of the People's Republic of China declare that, in order to ensure a smooth transfer of government in 1997, and with a view to the effective implementation of this Joint Declaration, a Sino-British Joint Liaison Group will be set up when this Joint Declaration enters into force; and that it will be established and will function in accordance with the provisions of Annex II to this Joint Declaration.

6. The Government of the United Kingdom and the Government of the People's Republic of China declare that land leases in Hong Kong and other related matters will be dealt with in accordance with the provisions of Annex III to this Joint Declaration.

7. The Government of the United Kingdom and the Government of the People's Republic of China agree to implement the preceding declarations and the Annexes to this Joint Declaration.

8. This Joint Declaration is subject to ratification and shall enter into force on the date of the exchange of instruments of ratification, which shall take place in Beijing before 30 June 1985. This Joint Declaration and its Annexes shall be equally binding.

Done in duplicate at Beijing on 19 December 1984 in the English and Chinese languages, both texts being equally authentic.

This is a question left over from the past. The region of Hong Kong (comprising Hong Kong Island, Kowloon and the New Territories) has been part of China's territory since ancient times. In 1840 Britain launched the Opium War against China, and in 1842 it forced the Qing government to sign the Treaty of Nanjing, according to which Hong Kong Island was permanently ceded to Britain. In 1856 the Anglo-French forces launched the second Opium War, and in 1860 Britain forced the Qing government to conclude the Convention of Beijing, under which the tip of the Kowloon Peninsula was likewise permanently ceded to Britain. Taking advantage of moves by other powers to stake out spheres of influence in China, in 1898 Britain once again forced the Qing government to sign a treaty, the Convention for the Extension of Hong Kong. Under this convention Britain was granted a 99-year lease on a large stretch of land on the Kowloon Peninsula and more than 200 surrounding islets (referred to as the "New Territories"), a lease that is due to expire on June 30, 1997. The Chinese people have always been opposed to the three unequal treaties.

Since the founding of the People's Republic of China, the consistent position of the Chinese government has been that Hong Kong is part of China's territory. It does not recognize the three unequal treaties imposed on China by the imperialist power and has always held that the question of Hong Kong should be settled through negotiation when conditions were ripe and that until that time the status quo should be maintained.

After the Third Plenary Session of the Eleventh CPC Central Committee, held in December 1978, the Chinese people began to work on the three major tasks of realizing socialist modernization, achieving the reunification of the motherland, and opposing hegemonism and safeguarding world peace. Deng Xiaoping proposed that the Taiwan and Hong Kong questions be resolved in accordance with the concept of "one country, two systems". Meanwhile, as the year 1997 drew nearer, Britain kept exploring China's position on the Hong Kong question. Under these circumstances, the conditions for settling the question were ripe.

The talks held by the Chinese and British governments for this purpose were divided into two stages. In the first stage, between September 1982, when British Prime Minister Margaret Thatcher visited China, and June 1983, the talks centred on overall principles and procedures. In the second stage, between July 1983 and September 1984, delegations of the two governments held 22 rounds of talks on specific substantive issues.

On September 24, 1982, Deng Xiaoping met with Mrs. Thatcher. The Chinese Premier had already talked with her earlier. On that occasion the Premier had officially notified Britain that the Chinese government had decided to recover the entire Hong Kong area in 1997. At the same time, he had explained that after that China would apply special policies towards Hong Kong. For example, a Hong Kong Special Administrative Region would be established, Hong Kong would be administered by its local Chinese people and its current social and economic systems and way of life would remain unchanged. However, Mrs. Thatcher had insisted that the three unequal treaties should still hold good, saying that if China agreed to Britain's continued administration of Hong Kong after 1997, Britain would take China's claim to sovereignty over the territory into consideration.

It was in response to these remarks that Deng Xiaoping had an important talk with Mrs. Thatcher. Thanks to this talk, the two sides agreed to hold negotiations on the settlement of the Hong Kong question through diplomatic channels. During the next six months, because the British side stuck to its position on the question of sovereignty over Hong Kong, there was no progress in the negotiations. However, in March 1983 Mrs. Thatcher wrote to the Chinese Premier promising that at a certain stage she would propose to the British Parliament that sovereignty over all of Hong Kong be returned to China. She also expressed the hope that the two sides would hold substantive talks at the earliest possible date. In April the Chinese Premier wrote her back, saying that the Chinese government agreed to hold formal talks as soon as possible.

On July 12 and 13, 1983, delegations of the Chinese and British governments held their first round of talks. Because the British delegation still insisted that Britain should continue to administer Hong Kong after 1997, no progress whatever was made in the first four rounds of talks. In September 1983, when Deng Xiaoping met with

the visiting former Prime Minister Edward Heath, he said that it was impossible for Britain to exchange sovereignty for the right of administration. He advised the British side to change its attitude, so that China would not have to announce unilaterally the principles and policies for resolving the Hong Kong question. In October 1983 the British Prime Minister wrote to the Chinese government, saying that the two sides could negotiate arrangements of lasting value for Hong Kong on the basis of China's proposals. In the fifth and sixth rounds of talks, the British negotiators confirmed that they would no longer insist on British administration of Hong Kong or seek condominium in any form. They said they understood that China's plan was based on the premise that both sovereignty over all of Hong Kong and the right to administer it would be returned to China in 1997. Thus, the main obstacles in the Sino-British talks began to be cleared away.

Starting with the seventh round of talks in December 1983, negotiations were conducted on the basis of the Chinese government's fundamental principles and policies for resolving the Hong Kong question. According to these, the future Hong Kong Special Administrative Region would be directly under the authority of the Central People's Government of the People's Republic. Except in foreign affairs and matters of defence, which would be the responsibilities of the Central Government, the region would enjoy a high degree of autonomy. The Central Government would station troops in the region for its defence. The government of the region would be composed of local inhabitants, and British and other foreign nationals might serve as advisers or hold posts up to the level of deputy secretary in some government departments.

During the discussions, although the British had explicitly undertaken not to put forward any suggestions that would contravene China's position on sovereignty, they kept raising proposals that did exactly that. For example, by trying time and again to replace "a high degree of autonomy", the language proposed by the Chinese, with "maximum autonomy", the British sought to prevent Hong Kong's being placed directly under the authority of the Central Government. They demanded repeatedly that the Chinese undertake not to station troops in Hong Kong, thus trying to restrict China in its exercise of sovereignty. In an attempt to make the future Special Administrative Region a member or quasi-member of the British Commonwealth, they also insisted that Britain should be represented in Hong Kong not by a consul-general, as other countries were, but by "a British commissioner". In addition, they proposed that expatriate officials holding Hong Kong identification cards be eligible for appointment to "posts up to the highest level of the civil service" and demanded that the Chinese agree to accept intact after 1997 the existing structure of the Hong Kong government, including any changes the British might make in it during the period of transition. And so on. These proposals from the British side were, in essence, designed to turn Hong Kong into an independent or semi-independent political entity subject to Britain's influence, and they were diametrically opposed to China's stand on sovereignty. Naturally, the Chinese side resolutely rejected them.

Beginning from the 12th round of talks in April 1984, the two sides discussed the arrangements for Hong Kong during the period of transition and matters relating to the transfer of government.

One of the most difficult problems encountered during the negotiations was the question of establishing a joint Sino-British body in Hong Kong. The Chinese side suggested arrangements for the transition period and set forth its basic ideas about the transfer of government, proposing that a permanent joint group be established in Hong Kong. The tasks of the group would be to coordinate the implementation of the Sino-British agreement and to discuss specific measures for realizing the smooth transfer of government. This proposal met with strong opposition from the British side, which held that the period until 1997 should not be officially designated as the "transition period" and that no permanent bodies whatever should be established, so as not to create the impression of Sino-British condominium.

In April 1984 British Foreign Secretary Sir Geoffrey Howe visited China. When meeting with him, Deng Xiaoping said that as there was much to be done during the transition period, it was essential to set up a joint body. He added that it could be based in Hong Kong but meet by turns in Hong Kong, Beijing and London. The

Foreign Secretary agreed that the two sides could hold discussions on the basis of these remarks. But in the next three or four months, the British still opposed the establishment of a joint group in Hong Kong, bringing the talks to a deadlock. When the Foreign Secretary visited China again in July of the same year, the Chinese stated that if the British agreed to establish a joint group and make Hong Kong its principal base, the date when it should take Hong Kong as its principal base and the question of prolonging its existence for a period of time after 1997 would be open to discussion. Finally, the two sides agreed to establish a joint liaison group which would make Hong Kong its principal base starting on July 1, 1988, and be abolished on January 1, 2000.

Through negotiations, China and Britain decided that in their agreement it should be explicitly stated that China would recover Hong Kong and resume the exercise of sovereignty over it. As the British side did not accept the Chinese side's wording "resume the exercise of sovereignty", it put forward several alternatives on different occasions. However, because all these formulations implied that the three unequal treaties still held good, they were rejected by the Chinese. Finally, the two sides agreed that the form of a "joint declaration" should be used and that it would be worded as follows: "The Government of the People's Republic of China ... has decided to resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997. The Government of the United Kingdom declares that it will restore Hong Kong to the People's Republic of China with effect from 1 July 1997." In this way the question of wording with regard to sovereignty was resolved.

After that, the British and Chinese delegations held three more rounds of talks dealing with specific, complex policy and technical questions, such as nationality, civil aviation and land. They repeatedly discussed the wording of the future agreement. By September 18, 1984, the two sides had agreed on all questions, and on September 26 they initialed the "Sino-British Joint Declaration" and its three annexes. Thus, after two years the negotiations on the question of Hong Kong came to a successful conclusion. On December 19, 1984, in Beijing, the heads of the Chinese and British governments officially signed the document. On May 27, 1985, the two governments exchanged instruments of ratification in Beijing, and the Joint Declaration officially entered into force