

# HUMAN RIGHTS SITUATION IN HONG KONG:

## HONG KONG WATCH BRIEFING ON EVENTS: SEPTEMBER 2023

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### EXECUTIVE SUMMARY

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#### POLITICAL PRISONERS: ARRESTS, CHARGES, & TRIALS

In the last month, Beijing continued its crackdown on the pro-democracy movement in Hong Kong, with the following developments:

- On Jimmy Lai's landmark 1,000<sup>th</sup> day behind bars, 67 organisations from around the world write to US President Joe Biden calling for action on Hong Kong
- Jimmy Lai's lawyers face threats from China for defending media mogul
- Hong Kong national security police take away self-exiled democrat Ted Hui's in-laws for questioning
- Mainland Chinese student jailed for six months over plan to display Tiananmen monument banner in Hong Kong

#### THE STATE OF THE RULE OF LAW AND POLICING

- Beijing tells foreign consulates in Hong Kong to hand over the personal details of all locally hired staff
- Hong Kong's top court rules in favour of legal recognition for same-sex couples

#### MEDIA FREEDOM IN THE CROSS HAIRS

- The chairman of Hong Kong's leading journalist group found guilty of obstructing a police officer
- PayPal donations to Hong Kong Free Press frozen

#### STATE SECURITY AND ECONOMY

- City regulators urged to review Hong Kong's ties to the London Metal Exchange
- Sir Sherard Cowper-Coles, head of public affairs at HSBC, will leave the bank in October after he sparked outrage by suggesting that Britain was too tough on China
- CPP Investments, Canada's biggest pension fund, has laid off at least five investment professionals at its Hong Kong office as it steps back from deals in China
- Beijing stops one of China's best-known international bankers from leaving the country

- Trading of shares of heavily indebted property developer China Evergrande suspended in Hong Kong

## OTHER DEVELOPMENTS

- Hong Kong Financial Secretary, Paul Chan, visits Europe
- The UK government makes a commitment to provide greater mental health support for young people from Hong Kong as part of a new £2.5 million government fund
- The UK government launches latest Six-Monthly Report on Hong Kong, concluding that “the threat of prosecution under national security offences continues to suppress free speech, stifle opposition and shrink the space for civil society”.

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## POLITICAL PRISONERS: ARRESTS, CHARGES & TRIALS

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### **Jimmy Lai imprisoned for 1000 days; 67 organisations write to President Joe Biden**

On Jimmy Lai’s landmark 1,000<sup>th</sup> day behind bars, 67 organisations from around the world wrote to US President Joe Biden calling for action on Hong Kong.<sup>1</sup>

The letter calls for the immediate and unconditional release for Jimmy Lai and all the political prisoners in Hong Kong, and the sanctioning of the Hong Kong and Chinese officials responsible for deteriorating conditions in Hong Kong.

Meanwhile, Sebastien Lai has hit out at the UK government’s failure to explicitly call for the release of his 75-year-old father while it focuses on a better trading relationship in the region.<sup>2</sup>

### **Jimmy Lai’s lawyers face threats from China for defending media mogul**

A leading human rights barrister and her team have faced “intimidation and reprisals” from China, including cyberhacking attempts, linked to their involvement in the case of Jimmy Lai.

Caoilfhionn Gallagher KC and a group of other barristers at the London chambers Doughty Street have been subjected to repeated attempts to hack their email accounts, devices and bank accounts. They have also been the subject of impersonation emails linked to China and have faced threats of prosecution and extradition to Hong Kong.<sup>3</sup>

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<sup>1</sup> <https://www.hongkongwatch.org/all-posts/2023/9/25/hong-kong-watch-joins-letter-to-president-biden-by-67-organisations-calling-for-action-on-jimmy-lais-1000th-day-in-prison>

<sup>2</sup> <https://www.thetimes.co.uk/article/jimmy-lai-tycoons-son-shames-uk-for-failing-to-pressure-china-gdb995lkh>

<sup>3</sup> <https://www.thetimes.co.uk/article/jimmy-lai-lawyers-face-threats-from-china-for-defending-hong-kong-mogul-c0367x92n>

## **Self-exiled democrat Ted Hui's in-laws questioned by national security police**

Hong Kong national security police took away self-exiled democrat Ted Hui's in-laws for questioning.

The ex-lawmaker's father-in-law, mother-in-law, and brother-in-law were taken away from an apartment in Yuen Long, then taken to the Castle Peak and Yuen Long police stations.

National security police were investigating whether Hui's in-laws had been in contact with Hui and whether there had been any monetary transactions between them.<sup>4</sup>

Hui is among the eight self-exiled activists wanted by Hong Kong national security police, with authorities offering a bounty of HK\$1 million for information related to each of the democrats.

## **Mainland Chinese student jailed for six months over plan to display Tiananmen monument banner in Hong Kong**

A mainland Chinese postgraduate student has been jailed for six months, after she pleaded guilty to attempting to do an act with a seditious intention by planning to display a large banner relating to a 1989 Tiananmen monument on the anniversary of the crackdown.<sup>5</sup>

Law student Zeng Yuxuan, 23, was put behind bars under the sedition law. She was sentenced a day after admitting her plan to unfurl a nine-metre long vertical banner on a footbridge in Causeway Bay on June 4, the 34th anniversary of Beijing's crackdown on student-led demonstrations in China.

She was reported to have obtained the banner through mainland Chinese human rights activist Zhou Fengsuo, a former student leader during the 1989 democracy movement who is currently based in the US.

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## **THE STATE OF THE RULE OF LAW AND POLICING**

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## **China orders foreign consulates in Hong Kong to hand over staff personal details**

Beijing has told foreign consulates in Hong Kong to hand over the personal details of all locally hired staff.<sup>6</sup>

A letter from the city arm of China's Foreign Ministry asked for the data to be submitted by 18 October. The requirements apply to all foreign missions' local employees, including permanent residents and non-permanent residents in the financial hub.

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<sup>4</sup> <https://hongkongfp.com/2023/09/12/self-exiled-hong-kong-democrat-ted-hui-in-laws-questioned-by-national-security-police-reports/>

<sup>5</sup> <https://hongkongfp.com/2023/09/12/mainland-chinese-student-jailed-for-6-months-over-plan-to-display-tiananmen-monument-banner-in-hong-kong/>

<sup>6</sup> <https://www.bbc.co.uk/news/world-asia-china-66854432>

The move is in line with "international practice", the foreign ministry said. It would also bring rules in Hong Kong in line with those on the mainland. However, consulates in Hong Kong have not confirmed whether they will comply with this request.

### **Hong Kong's top court rules in favour of legal recognition for same-sex couples**

Hong Kong must provide an alternative to marriage in order to legally recognise the rights of same-sex couples, the city's highest court has declared, opening the way for civil unions.<sup>7</sup>

The ruling said Hong Kong's government was "in violation of its positive obligations" under the bill of rights to provide a legal framework to recognise same-sex couples outside the institution of marriage, and gave it two years to establish a system.

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## **MEDIA FREEDOM IN THE CROSS HAIRS**

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### **The chairman of Hong Kong's leading journalist group found guilty of obstructing a police officer**

The chairman of Hong Kong's leading journalist group was found guilty of obstructing a police officer in a court case that sparked concerns about the city's declining press freedom.

Ronson Chan, chairman of the Hong Kong Journalists Association and a journalist of online news outlet Channel C, was arrested last September while he was on his way to a reporting assignment. He was accused of refusing to show the plainclothes officer his identity card upon request.<sup>8</sup>

### **PayPal donations to Hong Kong Free Press frozen**

Hong Kong Free Press, the independent English-language newspaper in Hong Kong, has urged its donors to check their PayPal account details or switch to other payment methods.<sup>9</sup>

They found that 200 of the 306 PayPal donations have been frozen, due to the recent PayPal policy change requiring customers to upload identification documents to avoid account suspensions. This is to comply with new regulations to combat fraud and unauthorised financial activities in Hong Kong, but has also resulted in many users' accounts being suspended.

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<sup>7</sup> <https://www.theguardian.com/world/2023/sep/05/hong-kong-top-court-legal-recognition-same-sex-couples>

<sup>8</sup> <https://www.independent.co.uk/news/ap-hong-kong-stand-news-beijing-chinese-b2417936.html>

<sup>9</sup> <https://hongkongfp.com/2023/09/14/editorial-hkfp-supporters-urged-to-check-donations-as-paypal-tightens-requirements-for-its-hong-kong-users/>

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## STATE SECURITY AND ECONOMY

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### **City regulators urged to review Hong Kong's ties to the London Metal Exchange**

A new paper from Hong Kong Watch calls for the Financial Conduct Authority and the Bank of England to expand its ongoing investigation into the London Metals Exchange into the ownership of the exchange. This should include assessing whether the Hong Kong Government via the Hong Kong Exchanges and Clearing (HKEX) remains a fit and proper person to run the metals exchange.<sup>10</sup>

It argues that the Hong Kong Government no longer meets the fit and proper person criteria to run the exchange, citing the ongoing human rights crackdown, its complicity in the breach of the Sino-British Joint Declaration, China's weaponisation of the export of critical metals, and legal obligations under Hong Kong's National Security Law which requires HKEX to 'respect and carry out decisions of the HKSAR Committee for Safeguarding National Security'.<sup>11</sup>

### **HSBC executive who criticised Britain's stance on China leaves the bank**

Sir Sherard Cowper-Coles, head of public affairs at HSBC, will leave the bank in October after he sparked outrage by suggesting that Britain was too tough on China.<sup>12</sup>

Sir Sherard, a former senior British diplomat, was forced to apologise last month after he said the Government was "weak" for complying with US demands to distance itself from China. He said the UK should not blindly follow the US, citing examples such as the decision to ban Huawei from 5G networks.

HSBC, which is based in London but makes most of its revenue in Asia, publicly supported sweeping national security laws imposed by Beijing in Hong Kong in 2020.

### **Canada's largest pension fund trims staff as it puts China deals on hold**

CPP Investments, Canada's biggest pension fund, has laid off at least five investment professionals at its Hong Kong office as it steps back from deals in China.<sup>13</sup>

CPP, which employs more than 150 people in Hong Kong, its Asia hub, declined to comment. It had flagged in its latest annual report that evolving relationships between Canada, the United States and China would be a factor as it reviewed its approach to emerging markets.

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<sup>10</sup> <https://www.cityam.com/city-regulators-urged-to-review-hong-kongs-ties-to-the-london-metal-exchange/>

<sup>11</sup> <https://www.hongkongwatch.org/all-posts/2023/9/12/hong-kong-watch-papers-calls-for-a-review-into-hong-kong-governments-links-to-the-london-metals-exchange>

<sup>12</sup> <https://www.telegraph.co.uk/business/2023/09/29/sherard-cowper-coles-hsbc-exec-uk-china-stance-leaves/>

Other Canadian pension funds are also pulling back from China. The Ontario Teachers' Pension Plan (OTPP) closed down its China equity investment team based in Hong Kong in April. Canada's second-largest pension fund, Caisse de dépôt et placement du Québec (CDPQ), has also stopped making private deals in China and will close its Shanghai office this year.

### **Beijing stops one of China's best-known international bankers from leaving the country**

One of China's best-known international bankers has been banned from leaving the country, as Beijing investigates a private investment bank.<sup>14</sup>

Charles Wang Zhonghe is the head of China investment banking for Japan's Nomura Group in Hong Kong. However, he was previously at ICBC International, part of the state-owned Industrial and Commercial Bank of China, which worked with China Renaissance, a private investment house that negotiated stock market listings and funding for Chinese companies abroad.

### **Trading of shares of heavily indebted property developer China Evergrande suspended in Hong Kong**

Share trading of heavily indebted Chinese property developer China Evergrande Group was again suspended in Hong Kong.<sup>15</sup>

The suspension came after it was reported that the chairman of Evergrande, Hui Ka Yan, had been taken away earlier in September and placed under police watch.

The company had resumed trading on August 28 after a 17-month hiatus.

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## **OTHER DEVELOPMENTS**

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### **Hong Kong Financial Secretary, Paul Chan, visits Europe**

Hong Kong's Financial Secretary Paul Chan visited Europe in September. First, he went to Paris where he promoted business in Hong Kong, with support from the Hong Kong Trade Development Council (HKTDC). He brought with him a delegation of more than 130 representatives from chambers of commerce, public organizations, investors, startup entrepreneurs, and professional service providers, making this the largest Hong Kong delegation to Europe since the pandemic.<sup>16</sup>

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<sup>14</sup> <https://www.thetimes.co.uk/article/beijing-stops-nomuras-charles-wang-zhonghe-leaving-china-b6h2xql39>

<sup>15</sup> <https://www.independent.co.uk/news/ap-hong-kong-chinese-shares-shenzhen-b2419971.html>

<sup>16</sup> <https://www.hongkongwatch.org/all-posts/2023/9/27/political-prisoner-trial-developments-in-hong-kong-this-week-18-22-september>

Chan then went to London where he attended a Hong Kong Dinner hosted by the Hong Kong Trade Development Council in London, which welcomed around 400 leaders and professionals from different sectors of the UK. He then visited Berlin and Frankfurt before returning to Hong Kong.

Hong Kong Watch condemns this trip, as well as the European organisations who have hosted Paul Chan, for promoting “business as normal” in Hong Kong and whitewashing the human rights violations, including the political trials and political prisoners who have been jailed since the 2019 protests and National Security Law was passed.

### **New UK government support for young people from Hong Kong**

The UK government has made a commitment to provide greater mental health support for young people from Hong Kong as part of a new £2.5 million government fund.<sup>17</sup>

The focus will be on mental health support, counselling and therapy, English language courses, employment training and support into higher education.

### **UK government launches latest Six-Monthly Report on Hong Kong**

The UK government has published its latest Six-Monthly Report on Hong Kong,<sup>18</sup> covering the first six months of this year, from 1 January–30 June 2023. It concludes that “the threat of prosecution under national security offences continues to suppress free speech, stifle opposition and shrink the space for civil society”.

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<sup>17</sup> <https://www.gov.uk/government/news/support-for-under-21s-from-ukraine-afghanistan-hong-kong>

<sup>18</sup> <https://www.gov.uk/government/publications/six-monthly-report-on-hong-kong-january-to-june-2023>