

**Luncheon at the Centre for Strategic and International Studies
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Securing Asia : Hong Kong's Role in Regional Security

Mr Ambrose Lee, Secretary for Security, HKSAR Government

Kurt, ladies and gentlemen,

1. I would like to thank the CSIS for their hospitality, and also for your kindness of turning out in a Friday afternoon with such a wonderful early spring weather!

2. Let me begin my presentation with an anecdote that I heard from friends in the airline industry.

Risks and Dangers

3. A certain person on a long-haul flight was seen standing up quite abruptly a few times, each time looking quite pale and nervous. By the second or third time this person stood up, many pairs of eyes were glued on him. Many fellow passengers and especially the flight attendants were already psyching themselves up. In the end, and luckily, nothing untoward happened on that flight. I do not profess to know why that person on the flight stood up so many times looking pale and nervous: whether he was sighting the aircraft prior to some horrendous acts, or he was just having leg cramps! However, from the perspective of a security professional, I was more interested in the reaction of the other passengers and the flight attendants. It appears to me a very successful inculcation of an acute sense of alertness to potential risks and dangers.

4. Nothing should be taken for granted in the field of security. While there is no such thing as a risk-free endeavour, it is our job in the security arena to anticipate and neutralise such risks as early and as far as possible. Many governments are spending billions of dollars to try to learn the fundamentals of risk and intelligence management. We have much to learn from the experience of our friends and neighbours.

Points to Ponder on Managing Risks and Dangers

5. Perhaps a question most often put to security officials all over the world is how to balance the myriad of new measures to enhance collective security against individual freedoms and rights. Many of these new security measures are, professionally speaking, only a natural and logical contingency upon an assessed risk; but these measures are also often perceived as compromises in personal liberties.

6. A further angle that has been raised is the effective use of limited resources. Should millions of dollars be spent on, say, security guards to stop people from taking photographs of airports or rail tracks? We all wish to establish the highest safety margin in our systems, but the trickiest bit is to get some kind of equilibrium between public expectation (and tolerance) and cost effectiveness of our measures. At the end of the day,

each society will have to decide on its own point of equilibrium.

Hong Kong SAR as an international partner

7. What's more, in the face of cross-border crimes and terrorist activities in our tiny global village, finding the right balance on one's own soil is a mission half-accomplished. As an international city, a trading and transportation hub as well as regional financial centre, Hong Kong is keenly aware of the importance of international cooperation, and we have always readily pitched in to do our bit to make our world a safer place to live.

8. Hong Kong has traditionally been a safe area with low crime rate, and (touch wood) the risk of a terrorist strike at home is relatively remote. We have no terrorist infrastructure. With our long tradition of religious freedom and mutual respect amongst different ethnic minorities in our society, we are not aware of any radical groupings in our own territory, either. That said, this is no reason for complacency. While we pride ourselves on being a free and open society, we are determined to make it as difficult as possible for terrorists to exploit the facilities, freedoms and ease of our systems. We are still painfully fresh from the terrors of the bombings in Bali, a popular holiday destination for Hong Kongers.

9. So what has Hong Kong done to address these sometimes-unquantifiable threats to the security of our world?

10. In the wake of the 911 terrorist attacks, attention around the world has zeroed in on the physical security of port, airports and the border. As the number one mega-port in terms of the volume of US-bound containers, Hong Kong is no doubt quick to answer the US call for partnership in the Container Security Initiative. On top of that, Hong Kong believes cutting the bloodline of the terrorist groups is at least as important in curbing the proliferation of terrorist activities.

11. The vast sums of monies flowing in and out of the globalised financial systems daily have long been a headache for enforcement agencies targeting criminal proceeds and money-laundering. Befitting of our reputation as a major business and financial centre in Asia, Hong Kong also believes that the curbing of the flow of monies for terrorists is one of the most effective means of getting to the root of terrorist infrastructure and cutting the blood line of terrorist groups.

12. As we now speak, our legislature back in Hong Kong is discussing proposed improvements to tighten our existing legislation against the financing of terrorist activities, and to update our legislation in line with international standards and developments, such as new recommendations of the Financial Action Task Force on Money Laundering (FATF). Amongst other things, we are arguing for better disclosure laws for the reporting of suspicious transactions. 'Balance' is the keyword here, where effective investigation powers, constitutionally protected freedoms, individual privacy, and economic and monetary efficiency are all indispensable considerations. We are building a system of control based on the rule of law, striving for transparency, fairness and efficiency.

Our systems

13. Our friends and Hong Kong-watchers are well aware of the bedrock of our

continued success and survival – the “One Country, Two Systems” principle guaranteed in the Basic Law, and the high degree of autonomy that Hong Kong enjoys. Hong Kong is an inalienable part of China - and yet we are an independent customs and immigration area separate from Mainland China. In many international organisations, Hong Kong maintains its independent membership with its own voice.

14. As a founding member of the WTO, Hong Kong SAR advocates and practises free trade. We thrive on our freedoms - our port and boundaries are friendly to tourists and investors alike. In security terms, my challenge is to maintain the integrity and effectiveness of our independent customs and immigration control, and at the same time maximise the ease and convenience for the movement of people and goods.

15. Let me give you some figures to summarise what we have achieved so far.

16. In addition to being the world’s busiest container port and the second largest air cargo hub in the world, our boundary control points between the Mainland of China and the HKSAR are witnessing a *daily* average of 350 000 passenger and 31 000 vehicular crossings in both directions, making our land border one of the busiest in the world. In this age of heightened security concerns, such traffic volumes are a challenge, especially with trade facilitation and market access as important parameters in the equation.

17. I dare not claim to have found the perfect answer to this enormous challenge, but I am very pleased to say that our customs and immigration systems have lived up to expectations. Obviously we cannot single-handedly manage this task. Again the sharing of intelligence and cooperation with our partners are vital in our management of the risks.

18. Our system for the control of import and export of strategic materials curbing proliferation of weapons of mass destruction, for instance, is regularly praised by our international trading partners as a model of effectiveness and integrity. We are among the first major seaports in the world to participate in the US Container Security Initiative. We also maintain a good line of communication with our Mainland counterparts in the exchange of intelligence on cross-boundary criminal and smuggling activities.

19. To enhance the effectiveness of immigration control, we will be studying the feasibility of incorporating biometric features in new passports. Obviously, much depends on whether there are any emerging international standards on such features to facilitate worldwide adoption. For our part, we have begun to issue new identity cards with biometric features for all the 6.8 million Hong Kong residents.

Continued cooperation

20. I have so far talked about terrorism, but of course there are other cross-border crimes which we have to tackle collectively through international cooperation, and Hong Kong is equally keen to play our part in such collaboration. The fight against drug trafficking, for example, is an area in which Hong Kong and the US has a long tradition of mutually beneficial cooperation.

21. As we all know, no system is perfect or foolproof. Success in the fight against terrorism requires strong commitments and dedication of all countries and jurisdictions as terrorists tend to attack the weaker link of the loop. While Hong Kong is a relatively safe

city, we are safe only if we are able to put in place a law-based control system maintaining the integrity of control in immigration, customs and trade. We can implement an effective control system only if we can secure community understanding and support, through striking a balance between safety and individual freedom and between security and facilitation.

22. We can only reduce the risk of being a target of terrorism by joining hands with partners throughout the world in making our world a safer place. The challenge to a security official is far more than his domestic consideration but the constant need to reach out to friends and allies, to look for better intelligence and enhanced cooperation in risk profiling and mutual support in law enforcement. In all these aspects, Hong Kong has always been and will remain a responsible partner, and will contribute our best towards the maintenance of regional and international security.

23. Thank you.

Security Bureau, HKSAR Government
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