

HKAEF inauguration marks new era of global dialogue, collaboration, friendships

Hong Kong reinforces its strategic position as a superconnector with new association dedicated to promoting world peace

By OSWALD CHAN in Hong Kong
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Amid the current complex and rapidly evolving global landscape, the Hong Kong Association for External Friendship (HKAEF) was formed with the vision of connecting with governments and institutions, and transcending the characteristics of different cultures to promote world peace.

On July 5, the inauguration ceremony of the HKAEF was attended by government officials of the Hong Kong Special Administrative Region, legislative councilors, and 300 community leaders.

Sun Xueqing, secretary general of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), delivered a speech on behalf of CPAFFC President Yang Wanming.

Hong Kong Chief Executive John Lee Ka-chiu described the HKAEF as the initiation of a new force for global dialogue that will facilitate people-to-people exchanges and cultivate friendships.

"Our country supports Hong Kong in deepening international engagement, putting primacy on cooperation, regionally and globally — in business, trade, finance, education, culture and every other area that governments, companies and peoples can come together for mutually rewarding opportunities," he said.

"In today's complex and rapidly evolving global landscape, where cooperation is no longer a given, we must unite and remain open to dialogue, maintaining friendly relations with different places that are eager to pursue development."

Lee added that the government looks forward to working with the association and empowering it to become a dynamic force for international goodwill and cooperation.

The association, consisting of more



Organizers and guests toast the Hong Kong Association for External Friendship at its inauguration ceremony on July 5. They include Hong Kong Special Administrative Region Chief Executive John Lee Ka-chiu (center); Cui Jianchun (sixth from right), commissioner of the Ministry of Foreign Affairs in the HKSAR; Sun Xueqing (sixth from left), secretary general of the Chinese People's Association for Friendship with Foreign Countries; and HKAEF Founding President and CEO Priscilla Leung Mei-fun (fifth from left). PHOTOS PROVIDED TO CHINA DAILY

than 140 members from more than 20 countries and regions around the world, is formed under the guidance of the CPAFFC, and focuses on cultivating ties with cities, associations, organizations, and individuals.

Cui Jianchun, commissioner of the Ministry of Foreign Affairs in the Hong Kong Special Administrative Region, said he hopes the HKAEF can expand channels, mechanisms, and platforms to strengthen friendship and cooperation between people in Hong Kong and overseas.

"I hope the association will be a window for the international community to understand the Chinese mainland, and ... leverage its activities to reinforce its global partnerships and bring more international

brands to Hong Kong," Cui said.

HKAEF Founding President and Chief Executive Officer Priscilla Leung Mei-fun said, "The HKAEF has a clear mission of deepening international friendships, promoting friendly foreign relations through people-to-people diplomacy, and leveraging Hong Kong's unique advantage as a global superconnector between the mainland and the world."

Leung added that the "one country, two systems" framework in Hong Kong and Macao is worthy of reference by the world as a solution to resolve historical problems peacefully.

Starry Lee Wai-king, a member of the Standing Committee of the National People's Congress and a

member of the Hong Kong Legislative Council, said the mainland needs extensive friendships with many countries against the backdrop of complex international relationships.

"With the 'one country, two systems' background, Hong Kong — with its history, commercial, academic and cultural networks, as well as friends from countries along the Belt and Road Initiative — is a strategic spot for deepening international exchanges," Starry Lee said.

The association organized the Global University Presidents & Leaders Summit in December, which brought together university leaders from around the world in Hong Kong.

Laurence Brahm, founding vice-

chairman of the HKAEF, said Hong Kong should showcase its unique cultural offerings and bring people together. "The city has a brilliant and diverse culture, and broad representatives of different communities. The city is one of the coolest, most diverse, and creative in Asia."

HKAEF Secretary General Rajesh Sharma highlighted the importance of friendship as a two-way street, aiming to create a global network of mutual learning and growth through cultural exchange and collaboration among students, professors, researchers, and others.

Other overseas representatives said they saw the HKAEF as a global community for a shared and sustainable future by promoting economic

and cultural harmony and people-to-people connectivity.

"This new entity will be a driving force for community stakeholders of all countries to grow and share prosperity together. HKAEF will assume a crucial role in becoming a multi-functional hub for broadening and deepening international cooperation at bilateral, regional and international levels," said Supperamaniam Manickham, the former ambassador of Malaysia to the World Trade Organization.

Kashif Zaidi, acting dean and director of the School of Law and Policy of the University of Management and Technology in Lahore, Pakistan, said: "In the current situation, the world needs peace, prosperity, development, trade, and happiness, which is right now very difficult to find, because around the globe, we see only fighting, terrorism, and bloodshed. But humanity should win now."

Davide De Rosa, president of the Italian Chamber of Commerce in Hong Kong and Macao, said Hong Kong's supportive environment encourages his dreams and career. He sees the association as a platform for career development and community engagement. "We have a very good chance to make a change and take steps towards a Hong Kong that's more connected with the rest of the world."

Other guests included Legislative Council President Andrew Leung Kwan-yuen; Xu Weigang, director of the Economic Affairs Department of the Liaison Office of the Central People's Government in the HKSAR; Martin Lee Ka-shing, chairman of Henderson Land Group; Adrian Cheng Chi-kong, founder of K11 Group and director of Chow Tai Fook (Holdings) Ltd; and Raymond Leung Hai-ming, chairman and CEO of C&L Holdings Ltd, who represents the company's president, Ann Chiang Kai-wan.



Government officials of the Hong Kong Special Administrative Region, Legislative Councilors, and over 300 community leaders pose for a group photo during the HKAEF's inauguration ceremony on July 5.

City leads in exploring solutions for cross-border corporate insolvency

By OSWALD CHAN in Hong Kong

As Hong Kong has no statutory legal provisions yet to deal with cross-border corporate insolvency, the special administrative region government will support ways of tackling the problem and engage with stakeholders, panelists told the International Symposium on Global Corporate Restructuring Center.

The symposium, held on July 6, was the first event organized following the inauguration of the Hong Kong Association for External Friendship. It examined key topics, such as how the SAR's free economic system can help the Guangdong-Hong Kong-Macao Greater Bay Area become a world-class corporate restructuring center, and the development of international mediation and corporate restructuring.

"Developing the Greater Bay Area into a global corporate restructuring center is indeed a hot topic and a subject worth pondering and studying for the HKSAR government, the legal profession, and even the business community," said Priscilla Leung Mei-fun, the founding president and chief executive officer of the HKAEF, as well as a Legislative Council member.

Corporate restructuring is a cru-

cial strategic tool wielded at times of financial distress and is vital for the survival, renewal and resilience of businesses by preserving enterprise values, protecting jobs, and instilling confidence among creditors.

At present, there are no statutory legal provisions in Hong Kong for cross-border insolvency, but the common law principle renders recognition of and assistance to non-Hong Kong insolvency proceedings.

Deputy Secretary for Justice Cheung Kwok-kwan said Hong Kong boasts a wealth of legal and accounting professionals who have mastered common law principles and international accounting standards to facilitate cross-border corporate restructuring.

"We have tangible expertise through our 13,000 solicitors and barristers, 560 Hong Kong lawyers licensed to practice in the Greater Bay Area, as well as 1,500 registered foreign lawyers, many of whom are multilingual and qualified in multiple jurisdictions," he said.

"We also have over 6,500 establishments providing accounting, auditing and tax consultancy services. The Hong Kong Institute of Certified Public Accountants has a membership of over 47,000 who are recognized globally in countries

like Australia, Canada, England and Wales, as well as South Africa."

Hong Kong is the only jurisdiction that has set up a cooperation mechanism with the Chinese mainland in corporate insolvency and restructuring.

Hong Kong's Department of Justice and the Supreme People's Court of the People's Republic of China signed the Record of Meeting on Mutual Recognition of and Assistance to Bankruptcy (Insolvency) Proceedings in May 2021.

The agreement enables Hong Kong and mainland insolvency office holders to apply to courts on either side to facilitate duties, such as investigating, taking over assets, and participating in legal and arbitration proceedings concerning corporate insolvency. Hong Kong insolvency office holders may also apply to courts operating on a trial basis in three mainland cities — Shanghai, Shenzhen in Guangdong province, and Xiamen in Fujian province.

Cheung highlighted the benefits of the record of meeting by citing the case of a European investor involved in the restructuring of a mainland-based joint venture.

"Firstly, businesses may obtain mainland court orders to freeze assets or preserve evidence — a relief

which is not available for arbitration seated in common law jurisdictions, other than Hong Kong."

"Moreover, businesses may enforce Hong Kong arbitral awards and court judgments on the mainland in the direct enforcement process, the coverage of which is the widest globally, including judgments on intellectual property rights that are not covered in international conventions," he said.

The European firm can appoint a Hong Kong liquidator to access mainland courts in Shanghai, Shen-

zhen and Xiamen to take control of the company's assets and records on the mainland, hence facilitating an effective corporate restructuring or liquidation process.

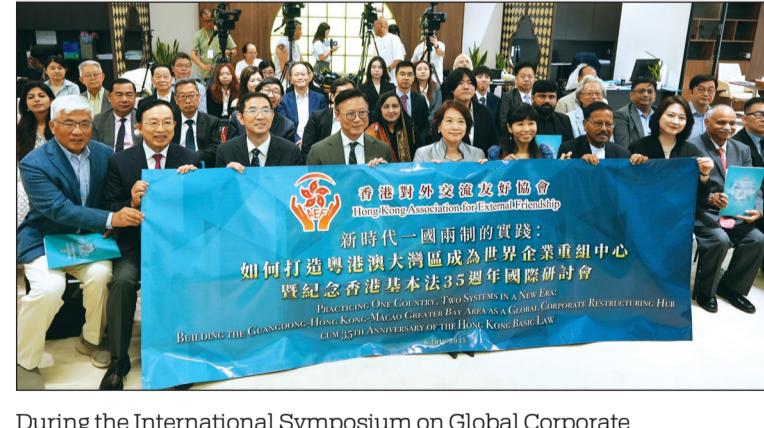
The DOJ's principal government counsel, Peggy Au-Yeung Wai-yu, told the symposium, "By covering debt restructuring through schemes of arrangements sanctioned by Hong Kong courts, and reorganization procedures under the mainland's Enterprise Bankruptcy Law, the record of meeting encourages restructuring

and avoids unnecessary winding-up and unemployment."

She added: "The Department of Justice will support a detailed study of a statutory regime for cross-border insolvency, look into issues and hear your views. We will also work with and engage in a dialogue very closely with stakeholders about extending the mechanism of the geographical coverage, perhaps beyond the three pilot areas in the future."

Zhu Zhengfu, president of the Guangdong Province Bankruptcy Administrators Association and a deputy to the National People's Congress, said cementing the Greater Bay Area as a world-class global corporate restructuring hub can protect enterprises and the economy, promote the professional services industry, and make the region's 11-city cluster a strategic highland of aggregating international capital and talent."

Zhu suggested that Guangzhou and other Greater Bay Area cities be included as pilot regions for mutual recognition of insolvency proceedings between the mainland and Hong Kong. Dedicated bankruptcy or commercial courts for cross-border restructuring, and a Greater Bay Area-based judicial alliance and coordination mechanism should also be set up.



During the International Symposium on Global Corporate Restructuring Center, held by the Hong Kong Association for External Friendship on July 6, speakers and guests examine how Hong Kong's free economic system can help the Guangdong-Hong Kong-Macao Greater Bay Area become a world-class corporate restructuring center.

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