



Hong Kong 2019 Annual Report: an exceptionally challenging year

Brussels, 22 July 2020

The European Commission and the High Representative have today adopted their [22nd annual report to the European Parliament and the Council on political and economic developments in the Hong Kong Special Administrative Region \(S.A.R.\) in 2019](#).

EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission, Josep Borrell, said: "*The Annual Report takes stock of the serious challenges to Hong Kong's autonomy, stability and guaranteed freedoms in 2019. These challenges have significantly mounted in 2020. As the European Union, we will not simply stand back and watch as China attempts to curtail these freedoms even more, with its imposition of the draconian national security law. We are working on a comprehensive and coordinated EU response. It is in the whole world's interest that Hong Kong can thrive both as a part of China and as a vibrant and unique international business centre and crossroad of cultures based on its high degree of autonomy as enshrined in the Basic Law.*"

The report attests to the deep [partnership between the European Union and Hong Kong S.A.R.](#), encompassing wide-ranging trade, financial and people-to-people ties. In 2019, the EU had over €136.2 billion worth of investment stock and over 2,300 EU companies operating in Hong Kong. The EU maintained its position in 2019 as Hong Kong's second-largest trading partner after mainland China. The EU was Hong Kong's second-largest export destination and third-largest import supplier during the year. The relationship between the EU and Hong Kong continues to benefit from extensive people-to-people contacts, notably in the areas of research, academic cooperation, student mobility, culture, and creative industries.

2019 was an exceptionally challenging year for Hong Kong, with sustained unrest initially triggered by proposals to amend the law governing extradition. The report examines the protracted social unrest and violence in 2019 that has continued into 2020. The unrest exposed profound divisions in society and caused significant societal and economic harm. [The European Union has consistently stressed that any violence is unacceptable and that action by the law enforcement authorities must remain strictly proportionate](#). The EU has underlined that de-escalation and dialogue are the only way forward and that a comprehensive enquiry into the violence, use of force and root causes of the protests should be undertaken.

The report underlines that concerns about the erosion of the "one country, two systems" principle continued to increase throughout the year. It documents the impediments imposed on the exercise of some key freedoms. Developments to date in 2020, including the decision to impose a national security law on Hong Kong, have compounded concern about this trend.

Background

Since Hong Kong's handover to the People's Republic of China in 1997, the European Union and its Member States have closely followed political and economic developments in the Hong Kong Special Administrative Region under the 'one country, two systems' principle.

In line with the commitment given to the European Parliament in 1997, an annual report is issued on developments in Hong Kong. This is the 22nd report, covering developments in 2019.

The EU adheres to its 'one China' policy and supports the 'one country, two systems' principle and its implementation.

For More Information

[22nd annual report on political and economic developments in the Hong Kong Special Administrative Region in 2019](#)

[21st annual report on political and economic developments in the Hong Kong Special Administrative Region in 2018](#)

[20th annual report on political and economic developments in the Hong Kong Special Administrative Region in 2017](#)

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