

this title, which are applicable to exports prohibited under section 2405 of title 50, Appendix, shall apply to exports prohibited under subsection (a)(5) or (b)(2)(C) of this section. For purposes of this subparagraph, any contract or agreement the performance of which (as determined by the President) would have the effect of assisting a foreign government in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals shall be treated as constituting a breach of the peace that poses a serious and direct threat to the strategic interest of the United States, within the meaning of subparagraph (A) of section 2405(p) of title 50, Appendix.

**(2) Sanctions applied to existing contracts**

The sanctions described in paragraphs (1), (2), and (3) of subsection (a) of this section shall apply to contracts, agreements, and licenses without regard to the date the contract or agreement was entered into or the license was issued (as the case may be), except that such sanctions shall not apply to any contract or agreement entered into or license issued before the date of the presidential determination under section 5604(a)(1) of this title if the President determines that the application of such sanction would be detrimental to the national security interests of the United States.

(Pub. L. 102-182, title III, §307, Dec. 4, 1991, 105 Stat. 1254.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (a)(1), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, which is classified principally to chapter 32 (§2151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

The Arms Export Control Act, referred to in subsec. (a)(2)(A), (3), is Pub. L. 90-629, Oct. 22, 1968, 82 Stat. 1320, as amended, which is classified principally to chapter 39 (§2751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2751 of this title and Tables.

Section 304(b) of this title, referred to in subsec. (e)(1)(B), is section 304(b) of Pub. L. 102-182, title III, Dec. 4, 1991, 105 Stat. 1246, which amended section 2405 of Title 50, Appendix, War and National Defense.

CODIFICATION

In subsec. (b)(2)(F)(iv), “section 40102(a) of title 49” substituted for “section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301)” on authority of Pub. L. 103-272, §6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of State, with certain exceptions, by section 1(b) of Ex. Ord. No. 12851, June 11, 1993, 58 F.R. 33181, set out as a note under section 2797 of this title.

**§ 5606. Repealed. Pub. L. 107-228, div. B, title XIII, § 1308(g)(1)(B), Sept. 30, 2002, 116 Stat. 1441**

Section, Pub. L. 102-182, title III, §308, Dec. 4, 1991, 105 Stat. 1257, related to Presidential reporting requirements.

**CHAPTER 66—UNITED STATES-HONG KONG POLICY**

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**§ 5701. Findings and declarations**

The Congress makes the following findings and declarations:

(1) The Congress recognizes that under the 1984 Sino-British Joint Declaration:

(A) The People’s Republic of China and the United Kingdom of Great Britain and Northern Ireland have agreed that the People’s Republic of China will resume the exercise of sovereignty over Hong Kong on July 1, 1997. Until that time, the United Kingdom will be responsible for the administration of Hong Kong.

(B) The Hong Kong Special Administrative Region of the People’s Republic of China, beginning on July 1, 1997, will continue to enjoy a high degree of autonomy on all matters other than defense and foreign affairs.

(C) There is provision for implementation of a “one country, two systems” policy, under which Hong Kong will retain its current lifestyle and legal, social, and economic systems until at least the year 2047.

(D) The legislature of the Hong Kong Special Administrative Region will be constituted by elections, and the provisions of the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, as applied to Hong Kong, shall remain in force.

(E) Provision is made for the continuation in force of agreements implemented as of June 30, 1997, and for the ability of the Hong Kong Special Administrative Region to conclude new agreements either on its own or with the assistance of the Government of the People’s Republic of China.

(2) The Congress declares its wish to see full implementation of the provisions of the Joint Declaration.

(3) The President has announced his support for the policies and decisions reflected in the Joint Declaration.

(4) Hong Kong plays an important role in today's regional and world economy. This role is reflected in strong economic, cultural, and other ties with the United States that give the United States a strong interest in the continued vitality, prosperity, and stability of Hong Kong.

(5) Support for democratization is a fundamental principle of United States foreign policy. As such, it naturally applies to United States policy toward Hong Kong. This will remain equally true after June 30, 1997.

(6) The human rights of the people of Hong Kong are of great importance to the United States and are directly relevant to United States interests in Hong Kong. A fully successful transition in the exercise of sovereignty over Hong Kong must safeguard human rights in and of themselves. Human rights also serve as a basis for Hong Kong's continued economic prosperity.

(Pub. L. 102-383, §2, Oct. 5, 1992, 106 Stat. 1448.)

#### SHORT TITLE

Section 1 of Pub. L. 102-383 provided that: "This Act [enacting this chapter] may be cited as the 'United States-Hong Kong Policy Act of 1992'."

### § 5702. Definitions

For purposes of this chapter—

(1) the term "Hong Kong" means, prior to July 1, 1997, the British Dependent Territory of Hong Kong, and on and after July 1, 1997, the Hong Kong Special Administrative Region of the People's Republic of China;

(2) the term "Joint Declaration" means the 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, done at Beijing on December 19, 1984; and

(3) the term "laws of the United States" means provisions of law enacted by the Congress.

(Pub. L. 102-383, §3, Oct. 5, 1992, 106 Stat. 1449.)

#### SUBCHAPTER I—POLICY

### § 5711. Bilateral ties between United States and Hong Kong

It is the sense of the Congress that the following, which are based in part on the relevant provisions of the Joint Declaration, should be the policy of the United States with respect to its bilateral relationship with Hong Kong:

(1) The United States should play an active role, before, on, and after July 1, 1997, in maintaining Hong Kong's confidence and prosperity, Hong Kong's role as an international financial center, and the mutually beneficial ties between the people of the United States and the people of Hong Kong.

(2) The United States should actively seek to establish and expand direct bilateral ties and agreements with Hong Kong in economic, trade, financial, monetary, aviation, shipping, communications, tourism, cultural, sport, and other appropriate areas.

(3) The United States should seek to maintain, after June 30, 1997, the United States

consulate-general in Hong Kong, together with other official and semi-official organizations, such as the United States Information Agency American Library.

(4) The United States should invite Hong Kong to maintain, after June 30, 1997, its official and semi-official missions in the United States, such as the Hong Kong Economic & Trade Office, the Office of the Hong Kong Trade Development Council, and the Hong Kong Tourist Association. The United States should invite Hong Kong to open and maintain other official or semi-official missions to represent Hong Kong in those areas in which Hong Kong is entitled to maintain relations on its own, including economic, trade, financial, monetary, aviation, shipping, communications, tourism, cultural, and sport areas.

(5) The United States should recognize passports and travel documents issued after June 30, 1997, by the Hong Kong Special Administrative Region.

(6) The resumption by the People's Republic of China of the exercise of sovereignty over Hong Kong after June 30, 1997, should not affect treatment of Hong Kong residents who apply for visas to visit or reside permanently in the United States, so long as such treatment is consistent with the Immigration and Nationality Act [8 U.S.C. 1101 et seq.].

(Pub. L. 102-383, title I, §101, Oct. 5, 1992, 106 Stat. 1449.)

#### REFERENCES IN TEXT

The Immigration and Nationality Act, referred to in par. (6), is act June 27, 1952, ch. 477, 66 Stat. 163, as amended, which is classified principally to chapter 12 (§1101 et seq.) of Title 8, Aliens and Nationality. For complete classification of this Act to the Code, see Short Title note set out under section 1101 of Title 8 and Tables.

#### TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

### § 5712. Participation in multilateral organizations, rights under international agreements, and trade status

It is the sense of the Congress that the following, which are based in part on the relevant provisions of the Joint Declaration, should be the policy of the United States with respect to Hong Kong after June 30, 1997:

(1) The United States should support Hong Kong's participation in all appropriate multilateral conferences, agreements, and organizations in which Hong Kong is eligible to participate.

(2) The United States should continue to fulfill its obligations to Hong Kong under international agreements, so long as Hong Kong reciprocates, regardless of whether the People's Republic of China is a party to the particular international agreement, unless and until such obligations are modified or terminated in accordance with law.

(3) The United States should respect Hong Kong's status as a separate customs territory,

and as a WTO member country (as defined in section 3501(10) of title 19), whether or not the People's Republic of China participates in the World Trade Organization (as defined in section 3501(8) of title 19).

(Pub. L. 102-383, title I, §102, Oct. 5, 1992, 106 Stat. 1450; Pub. L. 106-36, title I, §1002(e), June 25, 1999, 113 Stat. 133.)

#### AMENDMENTS

1999—Par. (3). Pub. L. 106-36 substituted “WTO member country (as defined in section 3501(10) of title 19)” for “contracting party to the General Agreement on Tariffs and Trade” and “World Trade Organization (as defined in section 3501(8) of title 19)” for “latter organization”.

### § 5713. Commerce between United States and Hong Kong

It is the sense of the Congress that the following, which are based in part on the relevant provisions of the Joint Declaration, are and should continue after June 30, 1997, to be the policy of the United States with respect to commerce between the United States and Hong Kong:

(1) The United States should seek to maintain and expand economic and trade relations with Hong Kong and should continue to treat Hong Kong as a separate territory in economic and trade matters, such as import quotas and certificates of origin.

(2) The United States should continue to negotiate directly with Hong Kong to conclude bilateral economic agreements.

(3) The United States should continue to treat Hong Kong as a territory which is fully autonomous from the United Kingdom and, after June 30, 1997, should treat Hong Kong as a territory which is fully autonomous from the People's Republic of China with respect to economic and trade matters.

(4) The United States should continue to grant the products of Hong Kong nondiscriminatory trade treatment by virtue of Hong Kong's membership in the General Agreement on Tariffs and Trade.

(5) The United States should recognize certificates of origin for manufactured goods issued by the Hong Kong Special Administrative Region.

(6) The United States should continue to allow the United States dollar to be freely exchanged with the Hong Kong dollar.

(7) United States businesses should be encouraged to continue to operate in Hong Kong, in accordance with applicable United States and Hong Kong law.

(8) The United States should continue to support access by Hong Kong to sensitive technologies controlled under the agreement of the Coordinating Committee for Multilateral Export Controls (commonly referred to as “COCOM”) for so long as the United States is satisfied that such technologies are protected from improper use or export.

(9) The United States should encourage Hong Kong to continue its efforts to develop a framework which provides adequate protection for intellectual property rights.

(10) The United States should negotiate a bilateral investment treaty directly with Hong

Kong, in consultation with the Government of the People's Republic of China.

(11) The change in the exercise of sovereignty over Hong Kong should not affect ownership in any property, tangible or intangible, held in the United States by any Hong Kong person.

(Pub. L. 102-383, title I, §103, Oct. 5, 1992, 106 Stat. 1450; Pub. L. 105-206, title V, §5003(b)(7), July 22, 1998, 112 Stat. 790.)

#### AMENDMENTS

1998—Par. (4). Pub. L. 105-206 struck out “(commonly referred to as ‘most-favored-nation status’)” after “nondiscriminatory trade treatment”.

### § 5714. Transportation

It is the sense of the Congress that the following, which are based in part on the relevant provisions of the Joint Declaration, should be the policy of the United States after June 30, 1997, with respect to transportation from Hong Kong:

(1) Recognizing Hong Kong's position as an international transport center, the United States should continue to recognize ships and airplanes registered in Hong Kong and should negotiate air service agreements directly with Hong Kong.

(2) The United States should continue to recognize ships registered by Hong Kong.

(3) United States commercial ships, in accordance with applicable United States and Hong Kong law, should remain free to port in Hong Kong.

(4) The United States should continue to recognize airplanes registered by Hong Kong in accordance with applicable laws of the People's Republic of China.

(5) The United States should recognize licenses issued by the Hong Kong to Hong Kong airlines.

(6) The United States should recognize certificates issued by the Hong Kong to United States air carriers for air service involving travel to, from, or through Hong Kong which does not involve travel to, from, or through other parts of the People's Republic of China.

(7) The United States should negotiate at the appropriate time directly with the Hong Kong Special Administrative Region, acting under authorization from the Government of the People's Republic of China, to renew or amend all air service agreements existing on June 30, 1997, and to conclude new air service agreements affecting all flights to, from, or through the Hong Kong Special Administrative Region which do not involve travel to, from, or through other parts of the People's Republic of China.

(8) The United States should make every effort to ensure that the negotiations described in paragraph (7) lead to procompetitive air service agreements.

(Pub. L. 102-383, title I, §104, Oct. 5, 1992, 106 Stat. 1451.)

### § 5715. Cultural and educational exchanges

It is the sense of the Congress that the following, which are based in part on the relevant provisions of the Joint Declaration, are and should

continue after June 30, 1997, to be the policy of the United States with respect to cultural and educational exchanges with Hong Kong:

(1) The United States should seek to maintain and expand United States-Hong Kong relations and exchanges in culture, education, science, and academic research. The United States should encourage American participation in bilateral exchanges with Hong Kong, both official and unofficial.

(2) The United States should actively seek to further United States-Hong Kong cultural relations and promote bilateral exchanges, including the negotiating and concluding of appropriate agreements in these matters.

(3) Hong Kong should be accorded separate status as a full partner under the Fulbright Academic Exchange Program (apart from the United Kingdom before July 1, 1997, and apart from the People's Republic of China thereafter), with the continuation or establishment of a Fulbright Commission or functionally equivalent mechanism.

(4) The United States should actively encourage Hong Kong residents to visit the United States on nonimmigrant visas for such purposes as business, tourism, education, and scientific and academic research, in accordance with applicable United States and Hong Kong laws.

(5) Upon the request of the Legislative Council of Hong Kong, the Librarian of Congress, acting through the Congressional Research Service, should seek to expand educational and informational ties with the Council.

(Pub. L. 102-383, title I, §105, Oct. 5, 1992, 106 Stat. 1452.)

#### SUBCHAPTER II—STATUS OF HONG KONG IN UNITED STATES LAW

##### § 5721. Continued application of United States law

###### (a) In general

Notwithstanding any change in the exercise of sovereignty over Hong Kong, the laws of the United States shall continue to apply with respect to Hong Kong, on and after July 1, 1997, in the same manner as the laws of the United States were applied with respect to Hong Kong before such date unless otherwise expressly provided by law or by Executive order under section 5722 of this title.

###### (b) International agreements

For all purposes, including actions in any court in the United States, the Congress approves the continuation in force on and after July 1, 1997, of all treaties and other international agreements, including multilateral conventions, entered into before such date between the United States and Hong Kong, or entered into before such date between the United States and the United Kingdom and applied to Hong Kong, unless or until terminated in accordance with law. If in carrying out this subchapter, the President determines that Hong Kong is not legally competent to carry out its obligations under any such treaty or other international agreement, or that the continu-

ation of Hong Kong's obligations or rights under any such treaty or other international agreement is not appropriate under the circumstances, such determination shall be reported to the Congress in accordance with section 5731 of this title.

(Pub. L. 102-383, title II, §201, Oct. 5, 1992, 106 Stat. 1452.)

##### § 5722. Presidential order

###### (a) Presidential determination

On or after July 1, 1997, whenever the President determines that Hong Kong is not sufficiently autonomous to justify treatment under a particular law of the United States, or any provision thereof, different from that accorded the People's Republic of China, the President may issue an Executive order suspending the application of section 5721(a) of this title to such law or provision of law.

###### (b) Factor for consideration

In making a determination under subsection (a) of this section with respect to the application of a law of the United States, or any provision thereof, to Hong Kong, the President should consider the terms, obligations, and expectations expressed in the Joint Declaration with respect to Hong Kong.

###### (c) Publication in Federal Register

Any Executive order issued under subsection (a) of this section shall be published in the Federal Register and shall specify the law or provision of law affected by the order.

###### (d) Termination of suspension

An Executive order issued under subsection (a) of this section may be terminated by the President with respect to a particular law or provision of law whenever the President determines that Hong Kong has regained sufficient autonomy to justify different treatment under the law or provision of law in question. Notice of any such termination shall be published in the Federal Register.

(Pub. L. 102-383, title II, §202, Oct. 5, 1992, 106 Stat. 1453.)

##### § 5723. Rules and regulations

The President is authorized to prescribe such rules and regulations as the President may deem appropriate to carry out this chapter.

(Pub. L. 102-383, title II, §203, Oct. 5, 1992, 106 Stat. 1453.)

##### § 5724. Consultation with Congress

In carrying out this subchapter, the President shall consult appropriately with the Congress.

(Pub. L. 102-383, title II, §204, Oct. 5, 1992, 106 Stat. 1453.)

#### SUBCHAPTER III—REPORTING PROVISIONS

##### § 5731. Reporting requirement

Not later than March 31, 1993, March 31, 1995, March 31, 1996, March 31, 1997, March 31, 1998, March 31, 1999, March 31, 2000, March 31, 2001, March 31, 2002, March 31, 2003, March 31, 2004,

March 31, 2005, and March 31, 2006 the Secretary of State shall transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report on conditions in Hong Kong of interest to the United States. This report shall cover (in the case of the initial report) the period since October 5, 1992, or (in the case of subsequent reports) the period since the most recent report pursuant to this section and shall describe—

(1) significant developments in United States relations with Hong Kong, including a description of agreements that have entered into force between the United States and Hong Kong;

(2) other matters, including developments related to the change in the exercise of sovereignty over Hong Kong, affecting United States interests in Hong Kong or United States relations with Hong Kong;

(3) the nature and extent of United States-Hong Kong cultural, education, scientific, and academic exchanges, both official and unofficial;

(4) the laws of the United States with respect to which the application of section 5721(a) of this title has been suspended pursuant to section 5722(a) of this title or with respect to which such a suspension has been terminated pursuant to section 5722(d) of this title, and the reasons for the suspension or termination, as the case may be;

(5) treaties and other international agreements with respect to which the President has made a determination described in the last sentence of section 5721(b) of this title, and the reasons for each such determination;

(6) significant problems in cooperation between Hong Kong and the United States in the area of export controls;

(7) the development of democratic institutions in Hong Kong; and

(8) the nature and extent of Hong Kong's participation in multilateral forums.

(Pub. L. 102-383, title III, §301, Oct. 5, 1992, 106 Stat. 1453; Pub. L. 104-107, title V, §576(a), Feb. 12, 1996, 110 Stat. 750; Pub. L. 107-115, title V, §586(a), Jan. 10, 2002, 115 Stat. 2173.)

#### AMENDMENTS

2002—Pub. L. 107-115 substituted “March 31, 2000, March 31, 2001, March 31, 2002, March 31, 2003, March 31, 2004, March 31, 2005, and March 31, 2006” for “and March 31, 2000,” in introductory provisions.

1996—Subsec. (a). Pub. L. 104-107 inserted “March 31, 1996,” after “March 31, 1995,” in introductory provisions.

#### EXTENSION OF REPORTING TIME

Pub. L. 107-115, title V, §586(b), Jan. 10, 2002, 115 Stat. 2173, provided that: “The requirement in section 301 of the United States-Hong Kong Policy Act [22 U.S.C. 5731], as amended by subsection (a), that a report under that section shall be transmitted not later than March 31, 2001, shall be considered satisfied by the transmittal of such report by August 7, 2001.”

#### REPORT ON SINO-BRITISH JOINT DECLARATION ON QUESTION OF HONG KONG

Pub. L. 104-208, div. A, title I, §101(c) [title V, §571], Sept. 30, 1996, 110 Stat. 3009-121, 3009-167, which directed

that the additional report required to be submitted during 1997 under this section include detailed information on the status of, and other developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong Kong, was from the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, and was not repeated in subsequent appropriations acts. Similar provisions were contained in the following prior appropriation act:

Pub. L. 104-107, title V, §576(b), Feb. 12, 1996, 110 Stat. 750.

#### § 5732. Separate part of country reports

Whenever a report is transmitted to the Congress on a country-by-country basis there shall be included in such report, where applicable, a separate subreport on Hong Kong under the heading of the state that exercises sovereignty over Hong Kong. The reports to which this section applies include the reports transmitted under—

(1) sections 2151n(d) and 2304(b) of this title (relating to human rights);

(2) section 2241 of title 19 (relating to trade barriers); and

(3) section 4711<sup>1</sup> of title 15 (relating to economic policy and trade practices).

(Pub. L. 102-383, title III, §302, Oct. 5, 1992, 106 Stat. 1454.)

#### REFERENCES IN TEXT

Section 4711 of title 15, referred to in par. (3), was repealed by Pub. L. 107-228, div. A, title VI, §671(1), Sept. 30, 2002, 116 Stat. 1407.

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<sup>1</sup> See References in Text note below.