



Integrated Country Strategy

Hong Kong and Macau Special Administrative Regions

FOR PUBLIC RELEASE

Table of Contents

1. Chief of Mission Priorities..... 2

2. Mission Strategic Framework 4

3. Mission Goals and Objectives 6

4. Management Objective 13

1. Chief of Mission Priorities

Hong Kong is a pivotal outpost shaping the future of U.S.-China relations. The Hong Kong Special Administrative Region (SAR) is a part of China, but it operates largely in accordance with international norms and practices. Hong ranks high in global estimates of economic freedom, transparency, and good governance, and the city remains Asia's most significant financial center. Hong Kong enjoys significant civil liberties, to include freedom of expression and freedom of assembly, although the Central Government in Beijing is pressuring Hong Kong officials, academics, and business leaders to align more closely with Mainland political imperatives. The city is a regional center for media and the arts, and has a vibrant academic and cultural scene. Collectively, these features make Hong Kong a valuable diplomatic platform with regional impact – setting a powerful example of what can be achieved using free-market principles, sound institutions, and democratic norms – with Hong Kong's most important influence being on Mainland China.

At the same time, Hong Kong's economic power, and the "one country, two systems" framework under which the city operates, make the SAR an important partner in its own right for trade and investment, law enforcement cooperation and public communications. The city's legacy as a free port also allows it to be a useful venue for military-to-military engagement with China. The United States enjoys its largest bilateral trade surplus anywhere with Hong Kong, at more than \$30 billion, and many U.S. corporations and financial institutions keep their regional headquarters in the city. Hong Kong has a common law legal system, a transparent regulatory regime in line with international norms, an independent judiciary, and a free press. Macau, meanwhile, is an important destination for U.S. investment in the entertainment, tourism and gaming industries.

U.S. Consulate General Hong Kong and Macau is a versatile interagency platform that can promote U.S. interests in Hong Kong and Macau, toward China, and in the Indo-Pacific in ways not possible inside Mainland China. U.S. engagement with Hong Kong is based on the Hong Kong Policy Act, under which the United States can treat Hong Kong as a separate jurisdiction from Mainland China, so long as Hong Kong maintains the high degree of autonomy it is guaranteed in the Hong Kong Basic Law. A separate Macau Policy Act codifies U.S. ties with Macau. The Consul General has Chief of Mission authority and reports directly to Washington.

Our Mission strategy is designed to:

- Promote U.S. values and support Hong Kong's autonomy;
- Promote U.S. trade and economic interests in the Indo-Pacific;
- Protect and assist U.S. citizens, and promote legitimate travel to the United States; and
- Fight terrorism and transnational crime, and enhance regional security.

Promote U.S. Values and Support Hong Kong Autonomy: China's Central Government increasingly acts in ways that are inconsistent with its commitments in the 1984 Sino-British Joint Declaration and the Basic Law to allow Hong Kong a high degree of autonomy in

governance of its own affairs. Over time, Central Government pressure on Hong Kong institutions may erode the “one country, two systems” framework to the detriment of U.S. interests and Hong Kong’s economic future.

U.S. Consulate General Hong Kong and Macau will therefore monitor developments and engage with government officials, and with civil society and private sector leaders, to advocate for continued autonomy in Hong Kong and Macau. The Consulate General will advocate for democratic values and for preserving the integrity of democratic governance processes, including by realizing universal suffrage in Hong Kong. The Consulate General will also champion human rights and all forms of good governance in both Hong Kong and Macau, with particular attention to topical issues such as labor rights and trafficking-in-persons. The Consulate General’s work to explain U.S. policy and values and to deepen person-to-person ties through cultural, educational and academic exchanges will provide a valuable underpinning to these efforts.

Promote U.S. Trade and Economic Interests: Hong Kong is a trade-based, laissez-faire economy and an excellent market for U.S. products and services. The Consulate General will take advantage of the openness and transparency of the Hong Kong and Macau economies to push for even deeper trade, investment, and commercial ties, with particular emphasis on agricultural and high-technology sales, to include “Smart Cities” development. The Consulate General will work to eliminate any barriers to U.S. trade and investment. It will also look to codify protections for U.S. investors where it makes sense, such as by supporting industry in partnering with Hong Kong to boost legal protections for intellectual property rights, exploring a bilateral investment treaty, or holding a regular economic policy dialogue.

Protect and Assist U.S. Citizens, and Promote Legitimate Travel to the United States: The Consulate will prioritize its work to protect American citizens, and provide them with high-quality consular services. The Consulate General will also provide world-class visa and travel facilitation services for foreign nationals, and work with U.S. government agencies and travel service providers to further expand business, tourist, and educational travel to the United States.

Fight Terrorism and Transnational Crime, and Enhance Regional Security: The Consulate will identify and mitigate threats against the Homeland. The Consulate General will also pursue law enforcement and security partnerships with the Hong Kong and Macau governments to combat international terrorism, transnational organized crime, money laundering, drug trafficking, smuggling, and trafficking in persons. The Mission will work with Hong Kong and Macau to thwart threats to U.S. national security in the Indo-Pacific region, and to enforce all relevant sanctions and export controls. The Mission will promote and support a steady pace of U.S. military ship visits to Hong Kong.

2. Mission Strategic Framework

Mission Goal 1: Promote U.S. Values and Support Hong Kong Autonomy

Mission Objective 1.1: Hong Kong residents continue to enjoy freedom of expression and assembly, judicial independence, strong rule of law, and make progress toward universal suffrage in the election of the Chief Executive and Legislative Council. Consulate reporting provides the basis for the Hong Kong Policy Act-mandated report to assess Hong Kong's autonomy.

Mission Objective 1.2: In the next five years there is no further erosion of media freedom, or increase in reports of self-censorship.

Mission Goal 2: Promote Free, Fair and Reciprocal Economic Ties.

Mission Objective 2.1: High-tech collaboration expands and U.S. tech exports with Hong Kong and Macau grow. Hong Kong "Smart Cities" developments in the next five years extensively utilize U.S. technology and expertise.

Mission Objective 2.2: Favorable trade and investment access for U.S. businesses in the markets of Hong Kong and Macau is maintained, and over five years the United States expands its trade surplus with Hong Kong.

Mission Objective 2.3: The integrity of Hong Kong's and Macau's status as separate customs jurisdictions is maintained, and the jurisdictions participate meaningfully in multilateral fora such as the WTO and APEC.

Mission Goal 3: Protect and Assist U.S. Citizens, and Promote Legitimate Travel to the United States

Mission Objective 3.1: Staff capacity and resilience are enhanced, while continuing to provide first-class services to American citizens

Mission Objective 3.2: Nonimmigrant visa applications grow as a result of public outreach and the efficiency of visa services

Mission Objective 3.3: Hong Kong participates in a U.S. Trusted Traveler Program, and seeks to become a Preclearance location.

Mission Goal 4: Fight Terrorism and Transnational Crime, and Enhance Regional Security

Mission Objective 4.1: Law enforcement and security partnerships with the governments of Hong Kong and Macau on combatting international terrorism and organized crime are

strengthened, and Hong Kong and Macau improve their performance in combatting trafficking in persons.

Mission Objective 4.2: Cooperation with Hong Kong and Macau contributes to regional stability and American, including by thwarting North Korean proliferation and enforcing sanctions and export controls. Continued U.S. military ship visits aid regional military transparency and U.S. military operations.

Management Objective 1: Diplomatic effectiveness is advanced through maintenance of an appropriate presence, improved facilities, more effective use of technology, and increased use of recruitment mechanisms such as Exception Rate Ranges to attract quality local staff.

3. Mission Goals and Objectives

Mission Goal 1: Promote U.S. Values and Support Hong Kong Autonomy

Description and Linkages: U.S. Consulate General Hong Kong and Macau's primary goal is to support the Special Administrative Region's continued high degree of autonomy under the "one country, two systems," framework. Hong Kong's sound legal and economic systems are predicated on its continued autonomy, which ensures that highly restrictive Mainland laws do not apply to Hong Kong. Hong Kong autonomy enables civil society engagement, private sector transactions, and law enforcement cooperation in ways not possible in the Mainland. Autonomy is also the key factor in maintaining and supporting shared values such as freedom of expression, freedom of assembly, the free flow of information, goods, and services, and respect for human rights. This goal links to Pillar IV of the National Security Strategy ("Advance American Influence"), specifically "Encourage Aspiring American Partners" and "Champion American Values," and also to Pillar II of the National Security Strategy ("Promote American Prosperity"), specifically, "Promote Free, Fair, and Reciprocal Economic Relationships." Specific to the Indo-Pacific Strategy in the National Security Strategy, it supports our aim to encourage a free and open Indo-Pacific. It also is linked to Goals 1.3, 2.1, 2.2, 2.3, and 3.3 of the State-USAID Joint Strategic Goal Framework.

Mission Objective 1.1: Hong Kong residents continue to enjoy freedom of expression and assembly, judicial independence, strong rule of law, and make progress toward universal suffrage in the election of the Chief Executive and Legislative Council. Consulate reporting will provide the basis for the Hong Kong Policy Act-mandated report which assesses Hong Kong's autonomy.

Justification: Hong Kong's autonomy underpins U.S. interests and engagement in Hong Kong. Hong Kong's independent judiciary is at once the lynchpin and litmus test of the SAR's rule of law. Given our shared common law tradition, the United States can deepen ties with Hong Kong's judiciary and legal actors to show support for their integrity and independence. In the public sphere, the U.S. must continue to speak out about and highlight the values Hong Kong and American people share, such as individual liberties, respect for human rights, and democratic governance. Consulate reporting will provide the basis for the Hong Kong Policy Act (HKPA)-mandated report which assesses Hong Kong's autonomy and thus the U.S. government's analysis of whether to continue to treat Hong Kong as autonomous. The risks posed by failure to sustain Hong Kong's autonomy are manifold, including the loss of valuable trade and investment opportunities, cooperation on law enforcement and regional security, and a major diplomatic platform inside China, resulting in a less free and less open Indo-Pacific.

Mission Objective 1.2: In the next five years there is no further erosion of media freedom, or increase in reports of self-censorship.

Justification: Over the past several years there have been increasing reports of self-censorship by local media, especially following the detention of several Hong Kong booksellers in Mainland China in late 2015, which effectively ended a cottage industry in Hong Kong of publishing books potentially embarrassing to Communist Party of China leadership. The U.S. government will support Hong Kong's continued freedom of expression, press freedom, and transparency modeling accountability when dealing with the media, and by speaking out when we perceive threats to Hong Kong press freedom or to Hong Kong autonomy more broadly, including in the Hong Kong Policy Act-mandated report. We will support professional, ethical and independent journalism in Hong Kong public diplomacy programs and exchanges. We will use public diplomacy and American soft power to support freedom of expression by bolstering and providing American participation in local arts and cultural programs. The risks posed by failure to sustain free and vibrant media, civil society, and cultural scene are manifold, including the loss of a valuable partner and diplomatic and messaging platform in China (with unique access to the Chinese public and the rest of the region); this would result in a less free and less open Indo-Pacific, and in an Indo-Pacific less reflective of American values.

Mission Goal 2: Promote Free, Fair and Reciprocal Economic Ties

Description and Linkages: Hong Kong is one of the world's most important business, financial, and logistics hubs. Despite its small size and population, it plays an outsized role in the global economy and for this reason the U.S.-Hong Kong trade relationship is of strategic importance. Hong Kong is already an important trading partner. The Consulate will leverage Hong Kong's open, transparent market, with its strong rule of law and enforcement of intellectual property rights, to push for deeper trade, investment, and financial ties. The Consulate will also continue to emphasize the strategic importance Hong Kong plays as a "gateway" to both China and other markets in the Asia-Pacific region and as an example for championing improvements in Mainland China in areas like intellectual property rights protection, standards, and openness to foreign trade and investment. This goal links to Pillar II of the National Security Strategy ("Promote American Prosperity), specifically, "Promote Free, Fair, and Reciprocal Economic Relationships." Specific to the Indo-Pacific Strategy in the National Security Strategy, it supports our aim to encourage a free and open Indo-Pacific. It also is linked to Goals 1.3, 1.4, 2.1, 2.2, 2.3, and 3.3 of the State-USAID Joint Strategic Goal Framework.

Emphasis will be placed on increasing agricultural exports and supporting U.S. exporters in a range of industry sectors. Key traditional sectors include Financial Services; Professional Services; Logistics; Retail Goods; Education; and Travel & Tourism. Consulate General Hong Kong and Macau will help U.S. exporters focus on strategic sectors that present burgeoning opportunities, where U.S. firms have a strong competitive advantage, including "Smart Cities" Technologies; Financial Technologies; Advanced Manufacturing; and Health Technologies & Medical Devices. In many of these areas the United States faces stiff competition from European, Japanese, Chinese, and other competitors.

Mission Objective 2.1: High-tech collaboration expands and U.S. tech exports with Hong Kong and Macau grow. Hong Kong “Smart Cities” developments in the next five years extensively utilize U.S. technology and expertise.

Justification: U.S. Consulate General Hong Kong and Macau is focused on exploiting Hong Kong’s interest in improving its abilities in innovative technology. In December 2017, the Hong Kong Government released its long-awaited “Smart Cities” Blueprint, identifying priorities over the next five years. Hong Kong has both the political will and the financial might to implement its ambitious “Smart Cities” programs.

As a result, the U.S. Commercial Service office (FCS) at U.S. Consulate General Hong Kong and Macau has planned activities focused on the priorities outlined in the “Smart Cities” blueprint. The subsectors that FCS is prioritizing include Smart Transportation, Smart Building, Big Data Analytics, Advanced Manufacturing, and Fintech – all areas in which U.S. companies have technological advantages versus international competitors. The risks posed by failure to expand U.S. technology exports include fewer jobs created and less revenue generated, and fewer opportunities to promote American leadership in research, technology, and innovation.

Mission Objective 2.2: Favorable trade and investment access for U.S. businesses in the markets of Hong Kong and Macau is maintained, and over five years the United States expands its trade surplus with Hong Kong.

Justification: Hong Kong remains an excellent market for U.S. goods and services. It is the United States’ ninth largest export market and the global jurisdiction with which we have the largest trade surplus. With the growth of the local market and leveraging Hong Kong’s position as a platform for re-exports into China and other markets in Asia, emphasis will be placed on increasing U.S. exports in traditional sectors including Financial Services; Professional Services; Logistics; Retail Goods; Education; and Travel & Tourism. In light of increasing competition from European and Asian competitors, along with smart city technology exports highlighted in Mission Objective 2.1, Consulate General Hong Kong and Macau will also focus on strategic sectors, including Financial Technologies; Advanced Manufacturing; and Health Technologies and Medical Devices.

More than 60% of FDI from China flows through Hong Kong. Given Hong Kong’s importance as a conduit for overseas investment, significant emphasis is placed on supporting local firms with establishing an operation in the United States. Investment support is limited to greenfield investment and investments that create U.S. jobs. The risks posed by failure to maintain favorable U.S. trade and investment access include fewer benefits to the U.S. domestic economy, fewer jobs created and less revenue generated, and a less free and less open Indo-Pacific.

Mission Objective 2.3: The integrity of Hong Kong’s and Macau’s status as separate customs jurisdictions is maintained, and the jurisdictions participate meaningfully in multilateral fora such as the WTO and APEC.

Justification: Hong Kong’s status as a free and open market with a strong tradition of rule of law and an independent judiciary make it a natural partner for the United States in multilateral fora such as WTO and APEC. In addition, its protection of intellectual property stands in stark contrast to Mainland China. The risks posed by failure by Hong Kong and Macau to maintain customs jurisdictions separate from Mainland China include fewer benefits to the U.S. domestic economy, including fewer jobs created and revenue generated, and less ability by the U.S. to promote free, fair, and reciprocal economic relationships, resulting in a less free and less open Indo-Pacific.

Mission Goal 3: Protect and Assist U.S. Citizens, and Promote Legitimate Travel to the United States

Description and Linkages: The primary responsibility of all U.S. overseas missions is the safety and security of American citizens. Promoting the legitimate travel of non-citizens in Hong Kong’s consular district to the United States not only provides a significant economic benefit but also enhances the short- and long-term relationship between Americans and Hong Kong and Macau residents through business, social, cultural, and educational ties. Provision of a high level of visa services also directly furthers Mission Goal 1 - promoting U.S. and shared values and supporting Hong Kong’s autonomy – and Mission Goal 2 – promoting economic ties. This goal links to Pillar I of the National Security Strategy (“Protect the American People, the Homeland, and the American Way of Life”), specifically, “Secure U.S. Borders and Territory,” and Pillar IV of the National Security Strategy (“Advance American Influence”), specifically “Champion American Values.” Specific to the Indo-Pacific Strategy in the National Security Strategy, it supports our aim to encourage a free and open Indo-Pacific. It also is linked to Goals 1.5, 2.1, 2.2, 2.3 of the State-USAID Joint Strategic Goal Framework.

Mission Objective 3.1 Staff capacity and resilience are enhanced, while continuing to provide first-class services to American citizens

Justification: U.S. Consulate General Hong Kong and Macau’s Consular Section attends to the various needs of the estimated 90,000 U.S. citizens in our consular district (85,000 in Hong Kong and 5,000 in Macau) and the approximately 1.3 million Americans who visit every year. This section also provides the full range of routine and emergency special citizen services to thousands of U.S. citizens each year, usually with no more than a one-business day appointment wait time. Post will continue to balance appropriate staff and resources to long-term crisis preparedness and the ongoing provision of first-class American citizen services so that we can respond to emergencies without sacrificing our high service standards on routine services.

Mission Objective 3.2: Nonimmigrant visa applications grow as a result of public outreach and the efficiency of visa services

Justification: U.S. Consulate General Hong Kong and Macau’s biggest challenge on the nonimmigrant visa (NIV) front is operational: to continue to provide timely and efficient NIV

services in the face of ever-increasing demand. Post has seen a year-on-year increase in demand for nonimmigrant visas for many years – a 1% increase from FY2016 to FY2017 and 36% since FY2012; so far, post's FY2018 numbers exceed FY2017. Limited staff and resources and a less-than-optimal physical layout inhibit post's ability to process applications in a timely fashion. The failure to provide a high level of NIV services could lead Hong Kong and Macau travelers and students (Hong Kong ranks 23rd overall as a source of foreign students in the United States, very significant for a single city) to go elsewhere, which would result in a multi-million-dollar loss to the U.S. economy each year and increase risks to border security. Accordingly, the Consular Section's efforts will continue to focus on improving the speed and efficiency of its delivery of visa services and then touting its successes on that front via outreach to encourage the public to continue to seek U.S. visas.

Mission Objective 3.3: Hong Kong participates in U.S. Trusted Traveler Program, and seeks to become a Preclearance location.

Justification: U.S. Customs and Border Protection (CBP) Trusted Traveler Programs (TTP) streamline the entry process for travelers. Reciprocal eligibility between the U.S. and Hong Kong TTP for each other's citizens would support travel and tourism between the two economies.

More than one million passengers travel on direct flights between Hong Kong and the U.S. annually. Preclearance operations at Hong Kong International Airport would allow these travelers to complete U.S. arrival processing before boarding their flights, thus expediting their entry into the United States. Preclearance would also enhance U.S. border security as CBP would process passengers prior to departure on U.S. bound flights. Risks associated with not achieving this Mission Objective include a lesser capability to protect the U.S. homeland by identifying terrorist, criminal, and other threats posed by travelers prior to arrival in the United States.

Mission Goal 4: Fight Terrorism and Transnational Crime, and Enhance Regional Security

Description and Linkages: The United States and our allies face many threats, including terrorists seeking to advance hateful ideologies; drug traffickers seeking to profit on weak borders; and cyber criminals seeking to exploit the openness of the Internet. Trafficking in persons is also a serious problem in this region. We must work with Hong Kong and Macau to counter these and other threats.

Terrorism is a grave threat to U.S. national security. We must work with others to advance the overall U.S. strategy to defeat the Islamic State of Iraq and Syria (ISIS) and other transnational terrorist groups that threaten American interests both domestically and internationally.

The conditions that enable these terrorist and criminal threats to persist must be addressed by the U.S. and its global partners. We must work collaboratively with Hong Kong and Macau to

assist them in taking greater responsibility for directly addressing the underlying causes of these threats in their regions.

Hong Kong and Macau policy makers, opinion shapers, and the public often misunderstand the role of the U.S. military in overall U.S. foreign policy. Consulate personnel can use ship visits and other security and military engagements to counter common misconceptions about military aspects of the USG's foreign policy in Asia, and shape a positive narrative about the longstanding role of the U.S. military in maintaining regional security and stability. This goal links to Pillar I of the National Security Strategy ("Protect the American People, the Homeland, and the American Way of Life"), specifically, "Secure U.S. Borders and Territory," "Pursue Threats to their Source," and "Keep America Safe in the Cyber Era," and Pillar IV of the National Security Strategy ("Advance American Influence"), specifically "Encourage Aspiring Partners" and "Champion American Values." Specific to the Indo-Pacific Strategy in the National Security Strategy, it supports our aim to encourage a free and open Indo-Pacific. It also is linked to Goals 1.1, 1.2, 1.3, 1.4, 1.5, 2.1, 2.2, and 2.3 of the State-USAID Joint Strategic Goal Framework.

Mission Objective 4.1: Law enforcement and security partnerships with the governments of Hong Kong and Macau on combatting international terrorism and organized crime are strengthened, and Hong Kong and Macau improve their performance in combatting trafficking in persons.

Justification: Hong Kong has been an able and willing partner on a wide range of law enforcement and security concerns, including counterterrorism, money laundering, drug trafficking, cybercrime, human trafficking, intellectual property rights infringement, export controls, and nonproliferation. Although there has not been a terrorist incident in Hong Kong, it is not immune from radicalization. There are over 300,000 domestic workers in Hong Kong, and recent reports identified some as sympathetic to ISIS. Although the numbers of radicalized domestic workers is marginal, it still presents a cause for concern. The broad-based and close U.S.-Hong Kong cooperation in law enforcement directly strengthens the regional U.S. security posture and supports our efforts to fight terrorism in the region, not to mention protecting the 90,000 Americans and nearly 1,400 U.S. businesses in Hong Kong.

As a global nexus for the flow of people, goods and money, the relationship with Hong Kong expands the reach and effectiveness of the United States throughout Asia, including to Mainland China. This close cooperation continues to produce tangible results in fighting crime, including a significant number of criminal investigations involving millions of dollars in seizures of criminally obtained funds, the seizure of illicit drugs, commercial fraud and other customs violations, and the interdiction of sensitive controlled technologies. Maintaining the integrity of Hong Kong's stringent export control regime remains a high priority.

The continued development of Macau's gaming sector and the deepening involvement of U.S. firms necessitate our increased engagement with, and assistance to, Macau security and law enforcement bodies, particularly but not limited to money laundering and trafficking in persons. We should strengthen efforts to highlight to Macau the benefits to be gained from

partnering with U.S. counterparts and participating in multilateral bodies. We should strengthen efforts to highlight to Macau the benefits to be gained from partnering with U.S. counterparts and participating in multilateral bodies.

The State Department's annual Trafficking in Persons Report has ranked Hong Kong and Macau on the Tier 2 Watch List for the past three and two years, respectively. Both jurisdictions rely heavily on migrant labor, which creates potential vulnerabilities that traffickers can and have exploited. As a regional financial center, Hong Kong also could play a major role in detecting and intercepting illicit money flows connected to trafficking in persons crimes. Although both Hong Kong and Macau have taken some steps to improve their governmental framework for countering trafficking in persons – such as creating action plans and high-level government steering committees to address the issue - more can and should be done in both jurisdictions.

The risks posed by failure to strengthen law enforcement cooperation and counter-trafficking in persons cooperation include a proliferation of risks to the homeland via the inability to interdict transnational criminals, resulting in a less safe and less secure United States.

Mission Objective 4.2: Cooperation with Hong Kong and Macau contributes to regional stability and American, including by thwarting North Korean proliferation and enforcing sanctions and export controls. Continued U.S. military ship visits aid regional military transparency and U.S. military operations

Justification: The Democratic People's Republic of Korea (DPRK) and other sanctioned countries continue attempts to exploit Hong Kong's free market economic model to skirt sanctions and conduct illicit finance. Post actively lobbies the Hong Kong Government to curb illegal DPRK activity and raise awareness of the DPRK threat to regional stability. U.S. military security cooperation with the Hong Kong Disciplined Services supports Hong Kong's autonomy, builds partner capacity, and provides U.S. forces a unique training environment with a near-peer partner. Active Post outreach using Navy and Coast Guard ship visits can explain the longstanding role of the U.S. military to maintain regional security and stability. Risks associated with not achieving this Mission Objective include weakened sanctions and export regimes. Additionally, the risks associated with reduced port visits by the U.S. military include the diminishment of Hong Kong as a refueling and re-provisioning port as well as the loss of U.S. public diplomacy messaging and engagement. The risks posed by failure to thwart threats by North Korea include a less safe, less secure United States.

4. Management Objective

Management Objective 1: Diplomatic effectiveness is advanced through maintenance of an appropriate presence, improved facilities, more effective use of technology, and increased use of recruitment mechanisms such as Exception Rate Ranges to attract quality local staff.

Justification: The Hong Kong Consulate building is more than 60 years old, with a dated infrastructure that has created the need for an extensive refurbishment of the building including office space and IT capabilities. Additionally, a new expansion of the office space will be required to bring the personnel who currently work in other office spaces throughout Hong Kong into the Consulate compound.

Macau is a significant and increasingly important part of the Hong Kong Consulate portfolio but its distance from Hong Kong, a one hour ferry ride, makes it difficult for the Consulate to develop a critical foothold with the local government. To help the Consulate gain greater access to city, the Management section will work to establish a LE Staff position and office in Macau that will create a permanent presence for the mission.

Finally, the Management team will deploy a new customer service section that will have a data collection and interpretation element. As the Department becomes more and more reliant on accurate data to make decisions about the use of its resources, Management will develop a more well-organized data collection team that will work with our staff to ensure the information seen in Washington represents the reality in Hong Kong.