

**(2) Report**

In the event that the President decides to exercise the waiver authority provided in paragraph (1) with respect to a country, the President's notification to the Congress under such paragraph shall include a report fully articulating the rationale and circumstances which led the President to exercise that waiver authority, including a description of the steps which the government of that country has taken to satisfy the conditions set forth in paragraphs (1) through (4) of subsection (c) of this section.

**(e) Contract sanctity****(1) Sanctions not applied to existing contracts**

(A) A sanction described in paragraph (4) or (5) of subsection (a) of this section or in any of subparagraphs (A) through (D) of subsection (b)(2) of this section shall not apply to any activity pursuant to any contract or international agreement entered into before the date of the presidential determination under section 5604(a)(1) of this title unless the President determines, on a case-by-case basis, that to apply such sanction to that activity would prevent the performance of a contract or agreement that would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals.

(B) The same restrictions of subsection (p) of section 2405 of title 50, Appendix, as that subsection is so redesignated by section 304(b) of 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**

Sec.	
5701.	Findings and declarations.
5702.	Definitions.
SUBCHAPTER I—POLICY	
5711.	Bilateral ties between United States and Hong Kong.
5712.	Participation in multilateral organizations, rights under international agreements, and trade status.
5713.	Commerce between United States and Hong Kong.
5714.	Transportation.
5715.	Cultural and educational exchanges.
SUBCHAPTER II—STATUS OF HONG KONG IN UNITED STATES LAW	
5721.	Continued application of United States law.
5722.	Presidential order.
5723.	Rules and regulations.
5724.	Consultation with Congress.
SUBCHAPTER III—REPORTING PROVISIONS	
5731.	Reporting requirement.
5732.	Separate part of country reports.

**§ 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

Pub. L. 102-383, § 1, Oct. 5, 1992, 106 Stat. 1448, 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 Peo-

ple'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