



**United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General**

**Inspection of Consulate General Hong Kong,
People's Republic of China**



Exterior of Consulate General Hong Kong

Hong Kong is significant for its diplomatic importance and the physical size of the consulate general, which has a staff of 323 and a budget of just under \$25 million. In its inspection of the consulate general, the Office of Inspector General (OIG) determined that the mission's outreach and public diplomacy programs are effective and reflect United States' policy.

The consulate general's substantive reporting and visitor support efforts were highly rated by those in Washington that use these services, and visiting delegations effectively help to advance U.S. priorities. Law

enforcement cooperation in Hong Kong is particularly strong and well coordinated.

The mission's success has been diminished by a failure to attend to basic mission management. Many mission employees see the consulate general's front office as being detached, aloof, and not open to dissent or alternate viewpoints.

On the other hand, OIG found there are no visible, substantive shortcomings in the solid performance of most of the consulate general's sections and agencies and the general effectiveness of section leaders as managers. Furthermore, the high quality of life offered by Hong Kong – with well-regarded housing, schools, and health care – has kept overall morale of employees and their families high. In addition, the mission's consular and administrative services sections are exceptionally effective and have seasoned, highly capable employees.

OIG Report ISP-I-05-59, Consulate General Hong Kong

The fieldwork for this report was conducted by the Office of Inspections in Hong Kong between February 7 and February 24, 2005. This is an unclassified summary of a full report, which receives limited official distribution. This report summary, and the inspection report, reflects the conditions at post during the period of the fieldwork.

Background



Map of Hong Kong

still nearly a tenth as large as the PRC's. Hong Kong has nearly \$500 billion annual exports and imports, many involving trade with the PRC, making it an essential hub for U.S.-China commercial relations. The consulate general is also responsible for covering the special administrative region of Macau, which has a population of about half a million. In both Hong Kong and Macau, money laundering is a key concern.

The consulate general's total staffing is 323 employees, of which 257 are Department employees, including 79 direct-hire personnel and 148 local-hire personnel. The consulate general's budget of just under \$25 million includes \$17.4 million for Department and International Cooperative Administrative Support Services operations. Almost a dozen U.S. agencies are represented at the consulate general.

Office of Inspector General

The Office of Inspector General's (OIG's) mission is to assess Department of State and Broadcasting Board of Governors operations and recommend ways to strengthen their integrity, effectiveness, and accountability.

OIG's Office of Inspections provides systematic and independent evaluations of the operations of the Department of State, its posts abroad, and related activities. Inspections cover policy implementation, resource management, and management controls. As part of the inspection, particular attention is given to consular, security, and information technology operations.

July 12, 2005

Sovereignty over Hong Kong reverted to the People's Republic of China (PRC) in 1997 when the United Kingdom relinquished the role it had held for almost 157 years. Nonetheless, Hong Kong has remained a vibrant enclave within the PRC. As a commercial and financial services center and one of the world's busiest container ports, Hong Kong is a key U.S. partner in combating terrorism and money laundering.

The United States enjoys close and productive relations with the government of Hong Kong, which retains broad autonomy from the PRC in all areas except defense and foreign relations. The consulate general, meanwhile, continues to press for direct elections in the territory, a policy required under the U.S.-Hong Kong Policy Act of 1992.

Hong Kong's population of 6.8 million resides in a territory slightly smaller than the state of Rhode Island. Despite seven years of economic recession, Hong Kong's economy is