The Standing Committee of the National People's Congress Chairman WU Bangguo

Report on whether there is a need to amend the methods for selecting the Chief Executive of the Hong Kong Special Administrative Region in 2007 and for forming the Legislative Council of the Hong Kong Special Administrative Region in 2008 (Translation)

In accordance with "The Interpretation by the Standing Committee of the National People's Congress of Article 7 of Annex I and Article III of Annex II to the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China" promulgated on 6 April 2004, should there be a question as regards whether there is a need to amend the methods for selecting the Chief Executive of the Hong Kong Special Administrative Region and for forming the Legislative Council of the Hong Kong Special Administrative Region, the Chief Executive of the Hong Kong Special Administrative Region shall make a report to the Standing Committee of the National People's Congress ("the NPCSC"); and the NPCSC shall, in accordance with Articles 45 and 68 of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China ("the Basic Law"), make a determination in the light of the actual situation in the Hong Kong Special Administrative Region ("HKSAR") and in accordance with the principle of gradual and orderly progress.

In December 2003, during my duty visit to Beijing, President HU Jintao informed me of the serious concerns and principled position of the Central Authorities regarding Hong Kong's constitutional development.

On 7 January this year, the HKSAR Government established the Constitutional Development Task Force ("the Task Force"). The Task Force is led by the Chief Secretary for Administration. Its members include the Secretary for Justice and the Secretary for Constitutional Affairs. Its tasks are to examine in depth the relevant issues of principle and legislative process in the Basic Law relating to constitutional development, to consult the relevant departments of the Central Authorities, and to gather the views of the public on the relevant issues.

In February this year, the Task Force visited Beijing and met with the representatives of the Hong Kong and Macao Affairs Office ("HKMAO") of the State Council and the Legislative Affairs Commission of the NPCSC to discuss issues relating to constitutional development. Besides, since January this year, the Task Force has met with different sectors of the HKSAR, and has collected, through various channels, the views of the Hong Kong community on the relevant issues of principle and legislative process.

On 30 March this year, the Task Force met with the representatives of the NPCSC and the HKMAO of the State Council in Shenzhen. The Task Force provided them with an account of the content of "The First Report of the Constitutional Development Task"

Force", the community views received over the past two months or so concerning the issues relating to the legislative process, as well as the views of the HKSAR Government on these issues.

Subsequently the Task Force has prepared "The Second Report of the Constitutional Development Task Force" ("the Second Report"), which focuses on the issues of principle, and is now attached as an annex to this Report. Chapter Three of the Second Report sets out in detail the constitutional basis of constitutional development and the actual situation of the HKSAR at present. Chapter Four sets out in detail the community views received by the Task Force over the past two months or so concerning the issues of principle. Chapter Five sets out the views of the HKSAR Government on these issues of principle.

The HKSAR Government has now completed its examination of the relevant issues of principle and legislative process in the Basic Law relating to constitutional development. After consulting the Executive Council, I endorse the content of the two Reports of the Task Force and agree with its views and conclusion. I consider that the methods for selecting the Chief Executive in 2007 and for forming the Legislative Council in 2008 should be amended, so as to enable Hong Kong's constitutional development to move forward.

In considering how the methods for selecting the Chief Executive in 2007 and for forming the Legislative Council in 2008 should be determined, we should have regard to the following factors:

- (i) the HKSAR, in examining the direction and pace of its constitutional development, must pay heed to the views of the Central Authorities;
- (ii) any proposed amendments must comply with the provisions of the Basic Law. Amendments to the design and principle of the political structure prescribed in the Basic Law must not be lightly contemplated;
- (iii) no proposed amendments shall affect the substantive power of appointment of the Chief Executive by the Central Authorities;
- (iv) any proposed amendments must aim at consolidating the executive-led system headed by the Chief Executive and must not deviate from this principle of design;
- (v) development towards the ultimate aim of universal suffrage must progress in a gradual and orderly manner step by step. The pace should not be too fast. The progress should accord with the actual situation in the HKSAR, in order to preserve its prosperity and stability;
- (vi) when considering the actual situation, public opinions, as well as other factors, including the legal status of the HKSAR, the present stage of constitutional development, economic development, social conditions, the understanding on the part of the public of "One Country,"

Two Systems" and the Basic Law, public awareness on political participation, the maturity of political talent and political groups, as well as the relationship between the executive authorities and the legislature, must be taken into account;

- (vii) any proposed amendments must enable different sectors of society to be represented in the political structure, and to participate in politics through various channels;
- (viii) any proposed amendments should ensure that consideration would continue to be given to the interests of different sectors of society; and
 - (ix) any proposed amendments must not bring about any adverse effect to the systems of economy, monetary affairs, public finance and others as prescribed in the Basic Law.

In accordance with the Interpretation of Article 7 of Annex I and Article III of Annex II to the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, adopted by the Standing Committee of the Tenth National People's Congress at its Eighth Session on 6 April 2004, the Standing Committee of the National People's Congress is requested to determine, in accordance with the provisions of Articles 45 and 68 of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, and in the light of the actual situation in the Hong Kong Special Administrative

Region and in accordance with the principle of gradual and orderly progress, whether the methods for selecting the Chief Executive of the Hong Kong Special Administrative Region in 2007 and for forming the Legislative Council of the Hong Kong Special Administrative Region in 2008 may be amended.

Chief Executive
Hong Kong Special Administrative Region
15 April 2004