

立法會

Legislative Council

LC Paper No. CB(2) 1254/02-03

Ref: CB2/H/1

Special House Committee Meeting on 28 February 2003 Background Brief prepared by Legislative Council Secretariat

Sustainable Development

Purpose

This paper highlights the main recommendations of the Sustainability Development Study for the 21st Century (Study on SUSDEV 21), and also summaries the various initiatives under "Plan for sustainability" announced in connection with the Chief Executive (CE)'s Policy Addresses.

Background

Definition of sustainable development

2. In 1987, the World Commission on Environment and Development chaired by the Prime Minister of Norway, Ms Gro Harlem Brundtland, published a report, *Our Common Future*, bringing the concept of sustainable development onto the international agenda. In the report, sustainable development was defined as "development which meets the needs of the present without compromising the ability of future generation to meet their own needs". This definition has been universally adopted since then.

Guiding themes and principles

3. International organizations, such as the United Nations and the European Union, have identified similar guiding themes and principles on achieving sustainable development.

Agenda 21

4. At the Earth Summit held in 1992 in Rio de Janeiro, Brazil, the international community adopted Agenda 21, a global plan of action for sustainable development, incorporating environmental, economic and social concerns into a single framework. It contains over 2 500 wide-ranging recommendations.

World Summit on Sustainable Development in Johannesburg, South Africa

5. The World Summit on Sustainable Development was held in Johannesburg from 26 August to 4 September 2002. The World Summit presented an opportunity for world leaders to adopt concrete steps and identify quantifiable targets for better implementing Agenda 21 on sustainable development. The World Summit has also set new targets for sustainable development. Hong Kong also participated in the World Summit. Further details are given in paragraphs 35 to 39 below.

Further background information

6. For further background information, Members may wish to refer to the Information Note on World Summit on Sustainable Development (IN07/02-03) issued in November 2002 by the Research and Library Services Division (RLSD) of the Legislative Council (LegCo) Secretariat.

Study on Sustainable Development in Hong Kong

7. The Panel on Environmental Affairs was consulted on a proposal to conduct the Study on SUSDEV 21 at its meeting on 3 July 1996. On 19 July 1996, the Finance Committee (FC) approved a commitment of \$40 million for the Study on SUSDEV 21 to be carried out with a view to enabling the Government to apply the principles of sustainable development through the formulation to implementation of policies, plans and programmes on a corporate basis.

8. The Study on SUSDEV 21 commenced in September 1997 and Members were briefed and consulted on the progress and preliminary findings of the Study at the joint meetings of the Panel on Environmental Affairs (EA Panel) and Panel on Planning, Lands and Works (PLW Panel) held on 1 April 1998, 9 December 1999 and 27 January 2000.

9. The report of the Study on SUSDEV was issued in August 2000. Two baseline studies, a socio-economic study and an environmental baseline study, had been carried out. The "socio-economic study has revealed that while Hong Kong is performing well in areas such as health, energy efficiency and transport infrastructure provision, it does not compare well with other developed economies in terms of educational attainment, adequacy of housing and provision of open space".

10. The conclusions of the environmental baseline study "are that the integrated nature of the different elements in the stock of environmental capital is not being fully addressed in government planning, and that current levels of

pollution are putting significant stress on the capacity of the environment today and on the ability of society to achieve environmental improvements in future. Conservation, transport and energy policies were identified as being in greatest need of development into comprehensive programmes that fully address the current pressures on natural capital stock".

11. The key outputs and recommendations of the Study were -

- (a) a definition of sustainable development i.e. sustainable development in Hong Kong is defined as "development [which] balances social, economic, environmental and resource needs, both for present and future generations, simultaneously achieving a vibrant economy, social progress and a high quality environment, locally, nationally, and internationally through the efforts of the community and the Government";
- (b) a series of guiding principles and indicators of the key sustainable development issues in Hong Kong at the current time (details of the principles and indicators are in Appendices I and II respectively);
- (c) a Decision Support Tool, called the Computer-Aided Sustainability Evaluation Tool, to assist in evaluating the sustainability implications of strategic policy and project proposals (details of the Tool are in Appendix III) ;
- (d) recommendations for institutional changes, including the establishment of a Sustainable Development Unit and a Council for Sustainable Development announced by CE in his 1999 Policy Address, to help the Government take better account of sustainable development issues in its decision making; and
- (e) undertaking public consultation on the above outputs and awareness raising programmes of sustainable development issues generally so as to provide the public with a better understanding of the concept.

12. The recommendations of the report were accepted by the Executive Council in January 2001. The final report was issued to all Members and also submitted to a joint meeting of the EA Panel and PLW Panel on 9 February 2001.

13. Some of the comments and concerns raised by Members at the meeting on 9 February 2001 are summarized below -

- (a) Hon Emily LAU criticized that the Administration had adopted a narrow definition of sustainable development which covered only the social, economic and environmental aspects, and leaving out the other

important aspects, namely, human rights, freedom of democracy and constitutional development;

- (b) Hon CHAN Yuen-han had queried why population was not included as a guiding principle or indicator having regard to the impact of population on a number of aspects, such as education and housing;
- (c) Ir Dr Hon Raymond HO, Hon Miriam LAU and Hon CHAN Yuen-han had expressed concern as to whether the Sustainable Development Unit could balance the views and interests of the bureaux and departments concerned and ensure the integration of sustainable development principles into the Government major policy initiatives and programmes; Dr HO was also concerned whether the establishment of the Unit would introduce another level of assessment and slow down the decision-making process;
- (d) Hon Albert CHAN expressed concern about the difficulties in applying the concept of sustainable development in the decision-making process involving various bureaux and departments;
- (e) Hon Emily LAU requested the Administration to include in its submissions of proposals to LegCo a paragraph on "sustainability implications";
- (f) Hon Martin LEE opined that the message of environmental protection could be effectively disseminated through students to their families;
- (g) Hon LAU Ping-cheung suggested that the Administration should make reference to Singapore and Shanghai, and formulate a centralized landscape policy for Hong Kong which set out a fixed ratio of green areas and sitting out areas for each development proposal; and
- (h) Hon WONG Yung-kan urged the Administration to formulate a policy for the conservation of agriculture and fisheries resources.

14. For further details of the study on SUSDEV, Members may wish to refer to the Administration's paper as well as the final report (and Executive Summary) of the Study issued vide LC Paper No. CB(1) 537/00-01(01) dated 5 February 2001.

1999 Chief Executive's Policy Address delivered on 6 October 1999

15. In his 1999 Policy Address delivered on 6 October 1999, CE said that sustainability in Hong Kong meant -

- " • finding ways to increase prosperity and improve the quality of life while reducing overall pollution and waste;
- meeting our own needs and aspirations without doing damage to the prospects of future generations; and
- reducing the environmental burden we put on our neighbours and helping to preserve common resources."

16. As regards the institutional framework, CE announced that he intended to set up a Council for Sustainable Development. "Its functions will be to provide expert advice to the Government and keep the public regularly informed about its work, so that we can build a better understanding of the concept of sustainable development. It will also encourage the community to put the concept of sustainable development into practice. To further this objective, I propose that a \$100 million grant be made to support community initiatives on sustainable development especially on educational programmes for citizens and students to develop a strong awareness of sustainability".

17. CE also indicated that the Council for Sustainable Development would report to him, and its relationship with other consultative bodies would be considered carefully, to ensure integration and the building of partnerships. Within the Administration, all bureaux would in future be required to carry out "sustainability impact assessments" of major new policy proposals. A Sustainable Development Unit would be established to monitor these assessments and provide analysis and support to the Council.

Council for Sustainable Development

2001 Policy Address

18. In the Policy Objective booklet of the Administration Wing of the Chief Secretary for Administration (CS)'s Office (issued for the 2001 Policy Address), the Administration indicated that significant progress was made in the major task of setting up a Council for Sustainable Development. The Administration reported that it had completed research on the structure, modus operandi and performance of similar committees established overseas and was consulting the major stakeholders. The Administration expected to complete the task by the end of 2001.

Reply to Council question on 9 October 2002

19. Some Members had also raised questions at Council meetings (Appendix IV) to seek information regarding the progress of the setting up of

the Council for Sustainable Development. In reply to the oral question raised by Hon Emily LAU at the Council meeting on 9 October 2002, CS informed Members that following introduction of the accountability system in the Government, CE was considering how the Council for Sustainable Development should feature and should perform its functions under the new system. The Administration hoped to make an announcement on the formal establishment of the Council very shortly.

Motion debate on "'Local Agenda 21' and sustainable development" on 23 October 2002

20. In his speech delivered during the debate on the motion on "'Local Agenda 21' and sustainable development" at the Council meeting on 23 October 2002, CS said that he would like to repeat the pledge he made in answering Hon Emily LAU's oral question at the Council meeting on 9 October 2002 that the Administration would make an announcement regarding the Council for Sustainable Development very shortly.

2003 Policy Address

21. In the 2003 Policy Agenda booklet (issued for the 2003 Policy Address), it is stated under the on-going initiatives for "Environmentally Responsible Development" that the Administration is "promoting the integration of sustainability in the Government and the community and setting up the Council for Sustainable Development".

Sustainable Development Unit

22. On 21 February 2001, the Establishment Subcommittee (ESC) agreed to recommend to FC the creation of three permanent posts of one Administrative Officer Staff Grade (AOSG) B1 (D4) level officer and two AOSGC (D2) officers offset by deletion of one permanent AOSGB (D3) post with effect from 1 April 2001 for the establishment of the Sustainable Development Unit to facilitate the integration of sustainable development by both the Government and the community. The additional full annual average staff cost of the proposal, including salaries and staff on-cost is \$5,265,000. The proposal also necessitated the net creation of 20 additional non-directorate posts at the full annual average staff cost of \$18,310,000.

23. The recommendation of ESC was approved by FC on 9 March 2001.

24. The Sustainable Development Unit has been operating under the Administration Wing of CS's Office since April 2001. So far, the Unit has reported its work progress once to the EA Panel and PLW Panel. In a paper circulated (vide LC Paper No. CB(1) 1679/00-01(01) dated 3 July 2001) to the

two Panels in July 2001, the Unit reported to the two Panels that its priority tasks were to -

- (a) ensure the integration of sustainable development principles into the Government's new major policy initiatives and programmes by instituting a system of sustainability impact assessment;
- (b) examine thoroughly overseas experience in promoting sustainable development and consider carefully the relationship between the Council for Sustainable Development and other relevant statutory and advisory bodies;
- (c) provide support to the Council for Sustainable Development to be appointed by the Government and work with it to facilitate a concerted effort by the community to put sustainable development into practice; and
- (d) maintain the momentum of community discussions and education programmes started by the Study on SUSDEV 21.

Sustainable assessments and Computer-Aided Sustainability Evaluation Tool

25. In the Policy Objective booklet of the Administration Wing of CS's Office (issued for the 2001 Policy Address), the Administration reported that significant progress was made in the major task of introducing a sustainability assessment (SA) system within the Government. All bureaux and departments would be required to carry out SA on new strategic initiatives or major programmes and include in their submissions to the CS's Committee and/or the Executive Council, where appropriate, a statement on the sustainability evaluation, so that sustainability issues were given early consideration in the decision-making process. The Administration also reported that it would roll out a Computer-Aided Sustainability Evaluation Tool to help bureaux and departments to carry out SAs. The Administration expected to complete the task by the end of 2001.

26. In the Progress Report on Policy Objectives (2001), the Administration reported that it would complete the first annual updating exercise of the baseline data contained in the Evaluation Tool in 2003 pursuant to the full operation of the assessment system in 2002.

27. Some Members had also raised questions at Council meetings (Appendix IV) to seek information regarding SA and the implementation of principle of sustainable development.

Sustainable Development Fund

28. In the Policy Objective booklet of the Administration Wing of CS's Office (issued for the 2001 Policy Address), the Administration indicated that the target was to recommend to the Council for Sustainable Development a set of guidelines for the use of the Sustainable Development Fund, with a view to making it operational in 2002.

29. In the Progress Report on Policy Objectives (2001), the Administration reported that the target was under review as the Council for Sustainable Development had yet to be established.

30. Hon Bernard CHAN had also raised a Council question on 10 January 2001 to seek information regarding the progress of the setting up of the Sustainable Development Fund (Appendix IV refers).

Other initiatives under "Plan for sustainability"

31. The following initiatives are also detailed under "Plan for sustainability" in the relevant Policy Objectives booklets, the Progress Report on Policy Objectives (2001) and the 2003 Policy Agenda booklet -

- (a) to issue a green paper on the development of environmental policy;
- (b) to promote within the public sector environmentally responsible management;
- (c) to support public education on environmental issues and publicity on environmental protection work;
- (d) to enhance school's ability to provide effective environmental teaching;
- (e) to organize school activities aimed at promoting environmental awareness;
- (f) to review the operation of the implementation of the Environmental Impact Assessment Ordinance;
- (g) to encourage the community as a whole to gradually accept the implications of the polluter pays principle;
- (h) to invite individual business to play a greater role in protecting the environment;

- (i) to promote greater public participation in the statutory Environmental Impact Assessment process;
 - (j) to establish effective institutional arrangements to ensure efficient and effective consideration of policies related to the environment and conservation;
 - (k) to ensure that all major policy and strategic initiatives go through full assessment of their social, environmental and economic implications;
 - (l) to annually update the baseline data contained in the Computer-Aided Sustainability Evaluation Tool used for sustainability purposes;
 - (m) to raise the understanding and awareness of the concept of sustainable development among bureaux and departments;
 - (n) to conduct studies and public consultation on sustainable development;
 - (o) to involve the public in building a sustainable development community in Hong Kong; and
 - (p) to disseminate information about sustainable development to the general public.
32. Further details of the targets set and progress made in respect of the above initiatives are in Appendix V for Members' easy reference.

Cooperation with the Mainland under "Plan for sustainability"

33. In his 1999 Policy Address delivered on 6 October 1999, CE also informed Members that Hong Kong and Guangdong had agreed to set up a "Joint Working Group on Sustainable Development and Environmental Protection" under the Hong Kong/Guangdong Co-operation Joint Conference. The following initiatives are also detailed under "Plan for sustainability" in the relevant Policy Objectives booklets, the Progress Report on Policy Objectives (2001) and the 2003 Policy Agenda booklet -

- (a) to strengthen cooperation with the Guangdong Authorities on protecting Deep Bay and Mirs Bay;
- (b) to work closely with the counterparts on the Mainland, particularly in Guangdong Province, to achieve the common goal of improving the environment;

- (c) to strengthen the cooperation and coordination between Hong Kong and Guangdong on environmental management and pollution control efforts in areas of mutual concern;
- (d) to continue to liaise with the Guangdong Authorities through the Hong Kong Guangdong Environmental Protection Liasion Group on the conservation of Indo-Pacific Humpbacked dolphins; and
- (e) to introduce a pilot emissions trading scheme among power plants in Hong Kong and Guangdong.

34. Further details of the targets set and progress made in respect of the above initiatives are set out in the table in Appendix VI for Members' easy reference.

Participation in the World Summit on Sustainable Development in Johannesburg, South Africa

35. As mentioned in paragraph 5 above, the Administration had also sent a team to attend the World Summit held in late August 2002. The delegation produced a report summarizing the work of the team during the World Summit and briefly presented the team's key observations. The report is available at the Administration's website on sustainable development.

36. In reply to an oral question raised by Hon Emily LAU at the Council meeting on 9 October 2002 relating to, among other things, whether the Administration had identified policy areas for follow-up in the light of the Earth Summit, CS had pointed out that some of the broad principles laid down in the Political Declaration and the Implementation Plan that resulted from the Summit involved action at the state level, e.g. ratification of international agreements, such as the Kyoto Protocol. In such cases, the Administration would seek advice from the Central People's Government on whether and how such international obligations should be discharged and extended to the Hong Kong Special Administrative Region.

37. As regards areas where non-state level entities could take their own initiative, such as promoting biodiversity, looking at increased use of renewable energy and stakeholders, CS informed Members that the Administration would consult stakeholders, inside and outside Government, and the wider community on the way forward.

38. In reply to a supplementary question raised by Hon LAW Chi-kwong concerning objectives related to the Kyoto Protocol for Hong Kong as a developed territory, such as standards for reducing the exhaust emission, the Secretary for the Environment, Transport and Works confirmed that the People's Republic of China had already signed the Kyoto Protocol in the status

of a developing country and it had been ratified. The Administration had already made a request to the Central Government for allowing Hong Kong to become a member of the Protocol. As to what Hong Kong could do to reduce exhaust emission under Hong Kong's circumstances as a developed city, the Administration was still in the process of discussing and studying the feasibility of the relevant proposals.

39. In his speech made during the debate on the motion "'Local Agenda 21' and sustainable development" moved by Hon CHOY So-yuk for debate at the Council meeting on 23 October 2002, CS said that "drawing on our experience of partnership with non-government and business groups, and in line with the World Summit's emphasis on partnerships and participation in pursuing long-term sustainability, we will seek to involve members of the community extensively in developing our framework for pursuing sustainable development". CS also informed Members that he had asked the Sustainable Development Unit to start the preparatory work, with a view to devising an effective mechanism that would be inclusive and embracing.

40. Members may wish to refer to the Information Note (IN13/02-03) issued on 24 February 2003 by the RLSD for background information on the Kyoto Protocol.

Issues of political system, legal system human rights and freedom

41. As discussed in paragraph 13(a) above, in discussing the final report of the Study on SUSDEV 21 at the joint meeting of the EA Panel and PLW Panel on 9 February 2001, Hon Emily LAU criticized that the Administration had adopted a narrow definition of sustainable development which covered only the social, economic and environmental aspects, and leaving out the other important aspects, namely, human rights, freedom of democracy and constitutional development.

42. In a supplementary question to Hon Emily LAU's oral question raised at the Council meeting on 9 October 2002 (Appendix IV), Hon Cyd HO asked about the criteria the Administration would adopt in assessing the sustainability of such aspects as legal system, political system, human rights protection and freedom.

43. In reply, CS explained that "sustainable development could cover an extremely extensive issues of governance, including the aspects of politics and political system. However, as far as the issues we are dealing with, I think it is most important for us to examine the sustainability of the several headings we have chosen. The headings are economic issues, health and hygiene, natural resources, social issues and infrastructures, biodiversity, leisure and cultural activities, environmental quality and transportation". CS agreed that

there were other headings as well, but as far as the "present circumstances in Hong Kong are concerned, these are the issues that should be handled with priority".

Way forward in following up the subject of sustainability development

44. At the first meeting of the EA Panel held in the current legislative session on 10 October 2002, members decided that efforts to promote sustainable development in Hong Kong should be closely monitored to ensure a sustainable future for Hong Kong. However, as sustainable development cut across all major policy areas, members considered it necessary for a specific committee to assume the leading role in monitoring the sustainability of new policies and initiatives that might have wider implications across more than one policy area.

Council Business Division 2
Legislative Council Secretariat
24 February 2003

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**Guiding principles of
the key sustainable development issues in Hong Kong**

Guiding Principles

<i>Economy</i>	Hong Kong should achieve a competitive and prosperous market-based economy which provides the resources to meet the needs and aspirations of the population, both now and in the future.
<i>Health and Hygiene</i>	Hong Kong should provide a living and working environment and pursue policies which promote and protect the physical and mental health and safety of the people of Hong Kong.
<i>Natural Resources</i>	Hong Kong should promote the sustainable use of natural resources to minimize its ecological footprint through improving consumption efficiency, minimizing the use of non-renewable resources and re-using, recycling waste and recovering energy from wastes.
<i>Society and Social Infrastructure</i>	Hong Kong should foster a stable, equitable, ethical and progressive society and enable present and future individuals to contribute to and fulfil their potential by providing universal access to adequate and appropriate educational opportunity and social infrastructure.
<i>Biodiversity</i>	To maintain the biodiversity of Hong Kong and to minimize any threat which consumption in Hong Kong may have on biodiversity elsewhere.
<i>Leisure and Cultural Vibrancy</i>	Protect and enhance the vibrancy of Hong Kong's recreational opportunities, leisure activities, cultural diversity, archaeological, historical and architectural assets.
<i>Environmental Quality</i>	Hong Kong should be pro-active in avoiding environmental problems for present and future generations, seek to find opportunities to enhance environmental quality, and minimize the unwanted side effects, locally, nationally and internationally, of development and inefficiencies such as air, noise and water pollution or land contamination.
<i>Mobility</i>	Hong Kong should provide safe, accessible, efficient and clean transport systems and pedestrian facilities along with an efficient transport network for the movement of goods and facilitation of services for the community.

Indicators of the key sustainable development issues in Hong Kong

Sustainability Indicators

<i>Economy</i>	<ul style="list-style-type: none"> • Economic return as determined through cost benefit analysis. • Percentage change in income less income tax for the upper quartile household minus the percentage change in income less income tax for the lower quartile. • Gross domestic fixed capital formation as a ratio to GDP. • Expenditure on primary, secondary and tertiary education as a ratio to GDP. • Unemployment rate.
<i>Health and Hygiene</i>	<ul style="list-style-type: none"> • Notification of communicable diseases. • In patient discharges and deaths per 100,000 population due to diseases of the respiratory system.
<i>Natural Resources</i>	<ul style="list-style-type: none"> • Consumption of energy per unit of output (\$ GDP). • Quantity of municipal solid waste, public fill and construction and demolition waste requiring final disposal per capita. • The total remaining landfill capacity (by volume). • Volume of freshwater supplied per capita. • Percentage of demand met by locally-derived freshwater resources. • Area of countryside.
<i>Society and Social Infrastructure</i>	<ul style="list-style-type: none"> • Average length of waiting list for public rental housing. • Median rent to income ratio for private housing. • Percentage of households residing in inadequate housing. • Living space per person. • Number of registered volunteers. • Waiting lists for subsidized residential care homes for the elderly. • Number of student members of civic education and community services organizations. • Proportion of people of working age who have received post-secondary education or above.
<i>Biodiversity</i>	<ul style="list-style-type: none"> • Area of Hong Kong of high terrestrial ecological value. • Area of Hong Kong of high marine ecological value. • Area of managed terrestrial habitat for conservation. • Area of managed marine habitat for conservation.

<i>Leisure and Cultural Vibrancy</i>	<ul style="list-style-type: none"> • Number of recorded archaeological sites. • Number of recorded cultural and historical sites. • Percentage of population living within districts with a shortfall of required provision of open space. • Annual ticket sales for major cultural, entertainment and sporting events.
<i>Environmental Quality</i>	<ul style="list-style-type: none"> • Composite index for criteria air pollutants based on percentage of the Air Quality Objectives. • Composite index for toxic air pollutants based on percentage of Acceptable Risk. • Quantity (tonnes) of carbon dioxide emitted per year. • Percentage of population exposed to excessive noise. • Percent of EPD's river monitoring stations ranked "Excellent" or "Good" using the EPD's Water Quality Index. • Composite index for marine water quality pollutants based on percentage of the Water Quality Objectives. • Number of beach-days per year ranked "Good or "Fair".
<i>Mobility</i>	<ul style="list-style-type: none"> • Average travel distances; the distance in kilometres travelled by passengers during morning peak by all major groups of transport modes. • Average network speed; calculated as total passenger kilometers divided by total passenger hours. • The cost of road-based freight transport; the cost of charges and operating costs as a ratio to GDP.

The Computer Aided Sustainability Evaluation Tool (CASET)

Logic and Design

The basis of the CASET system is the list of indicators of sustainable development described in the previous section. In simple terms CASET works by linking a series of questions, which the user must answer in relation to the given project or policy being tested, to one or more indicators. The logic of the tool was developed through a process called “knowledge elicitation” in which the key “drivers” affecting each indicator were identified through consultation with relevant experts.

By drawing out the issues and drivers affecting each indicator, a long list of influencing factors was established and these issues were framed in the form of questions, with each question linking to one or more indicators. The questions were then grouped into sectoral categories (eg economy, biodiversity, land and infrastructure and so on). These questions are used in CASET to characterise each scenario and were phrased such that a simple “yes” or “no” response could be provided by the user. Where the questions produce a “yes” response, the indicators to which the question is linked are effectively “triggered”; that is they are considered to be relevant to the scenario concerned and the CASET would be designed to ensure that the user addresses the effect of the proposal on that indicator.

The next stage was to refine the long list of questions produced (around 300) to a more manageable total (less than 100), and to derive an explanation for the linkage between each question and its relevant indicators. This process allowed for further refinement of the question and linkages and the process of “testing” real life scenarios allowed the study team to build up a list of requirements for the design and appearance of the software tool.

Based on the logic developed, CASET was programmed into a Microsoft compatible application. A prototype programme was developed and another round of intensive testing undertaken in conjunction with a range of Government Bureaux and Departments in order to ensure the appropriateness and user friendliness of the system.

A series of workshops was also held to test the tool, demonstrate it to a wide audience of Government officials and illustrate how CASET could be used to enhance decision making and consensus building by taking sustainability considerations into account in the decision making process. Based on this round of testing, the CASET programme was modified.

System Functioning

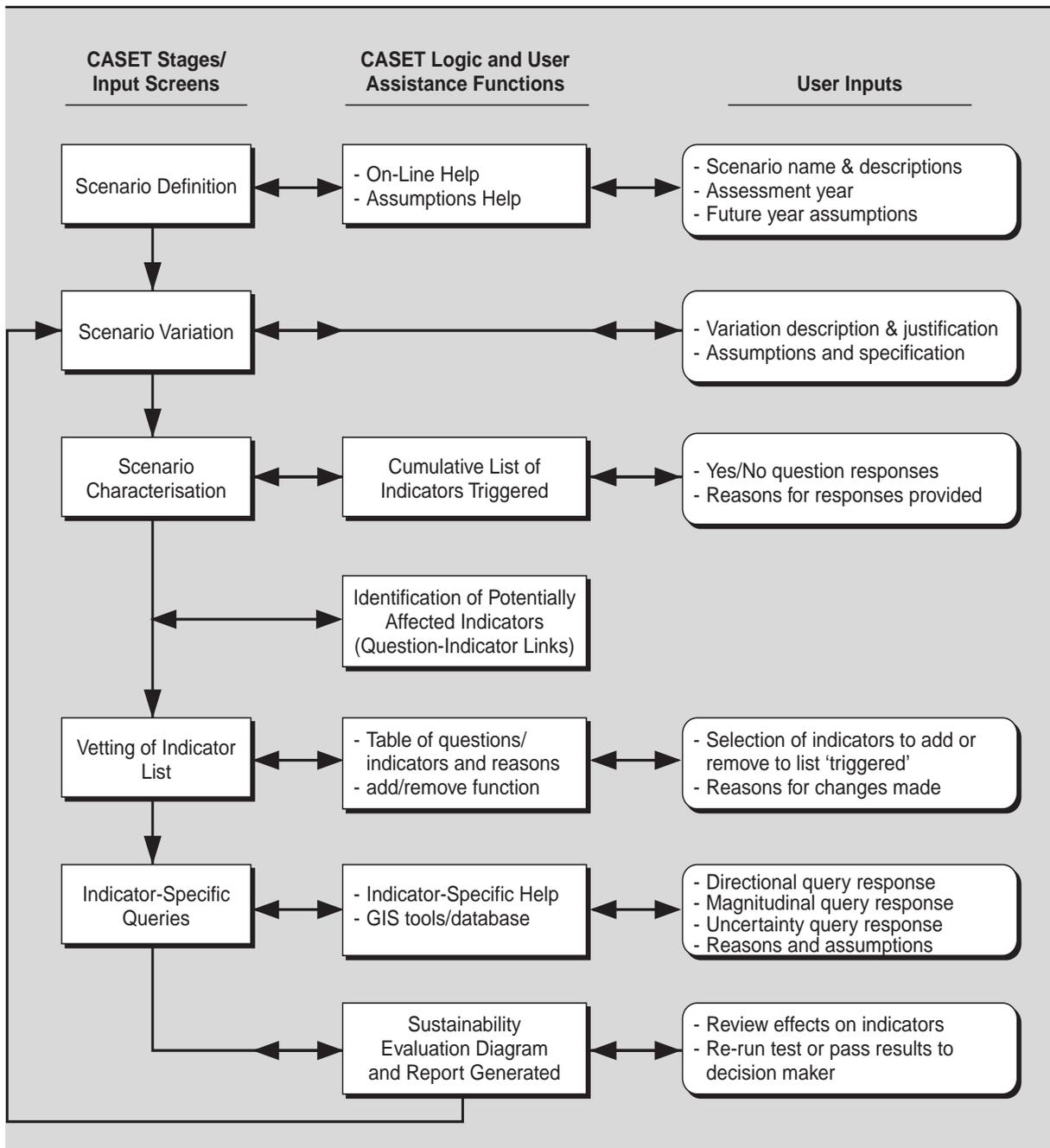
The process of using the tool is shown in Figure 5 overleaf and may be summarised as follows. Information about the proposal under consideration is entered into CASET through a series of input screens. By following these screens, the tool prompts the user to think widely about the implications of the proposal for social, economic and environmental issues. Following entry of initial details describing the proposal to be tested, the tool then prompts the user to consider the future conditions into which the proposal being “tested” will be applied, then to “characterise” the proposal by answering a series of around 70 yes/no questions relating to its implications across economic, social and environmental sectors.

These questions are used to “characterise” the proposal being tested, and the in-built logic of the system uses the responses to these questions to trigger a list of relevant sustainability indicators for which the user is required to input responses on predicted magnitude and direction of change of the indicator and the level of uncertainty which they attach to that decision. The user must specify an assessment year for the proposal and consider predicted change to the indicators with and without the proposal being tested.

The CASET can then be used to generate both diagrammatic (Sustainability Evaluation Diagram, SED) and text-based reports (Sustainability Evaluation Report, SER) summarising the indicator information input by the user.

CASET is accompanied by a powerful GIS/database containing the datasets relevant to the sustainability indicators. The GIS contains maps illustrating spatially referenced data relevant to Hong Kong's sustainability issues which have been compiled into a menu of GIS-based displays. Spatial (electronic) data can then be selected by users (from an on-screen menu) to build up required map layers. These maps will provide further assistance to users when considering input information for the indicators, in particular where the proposal may have geographically specific implications and the user wishes to interrogate map-based environmental information for the areas concerned.

Figure 5 CASET Methodology



CASET also includes a ranking module which allows for the comparison of scenarios which have a large number of different options, prior to formal testing of one (or a smaller number) of options using the full testing process.

Use of CASET

CASET is one of the principal outputs of the SUSDEV 21 study since it provides the means for Government to introduce a greater emphasis on sustainable development in future planning, policy and project decisions.

CASET is a computer-based decision support tool which has been designed to assist Government's evaluation of the sustainability implications of future strategic policies and projects. It has specifically been developed as a user-driven system, not a model, so that the eventual users of the system (individuals or groups within Government) will be required to provide information about the policy, project or plan they wish to assess. Since the use of the system triggers a group of relevant sustainable development indicators across a range of disciplines, users will need to obtain and utilise cross-departmental expertise in predicting the effects of proposals on the indicators triggered. It is therefore envisaged that the testing of policies and projects will require collaboration among Government officers from a range of Bureaux and Departments, and that the most effective way to achieve this collaboration will be through group discussions to resolve issues of concern.

The CASET system has a number of key functions within the decision making process:

- the tool offers a more comprehensive approach to policy and project appraisal than currently exists by ensuring that the wider sustainable development aspects of economy, environment and society are considered;
- a cross-sectoral approach to the appraisal process is fostered whereby different views are brought together at an early stage which can help to build consensus and dialogue across Government;
- CASET is an information manager: its consistent application will improve the quality of information being passed to decision makers, and will help to improve the transparency of the decision making process and the accountability of those Bureaux/Departments providing inputs;
- use of the tool at an early stage in the policy or project formulation process in a "scoping" capacity can help to identify potential problems or hurdles (early warning) and save time and resources by addressing them promptly in the development cycle.
- the tool and the associated institutional arrangements will help to translate vision into real action so that all parts of Government are working towards a shared single goal.

CASET can only truly help to bring about improvements in the institutional decision making process if it is provided with the necessary institutional support.

Related Council questions raised by Members

A number of questions were raised by Members at previous Council meetings concerning the establishment of the Council on Sustainable Development, the proposed \$100 million funding support for initiatives aimed at enhancing public awareness of sustainable development, the establishment of a sustainable impact assessment system, the World Summit on Sustainable Development held in Johannesburg, and the implementation of the principle of "sustainable development" by various Policy Bureaux during policy formulation.

Written question raised by Hon Emily LAU on adoption of sustainable development perspective in planning at the Council meeting on 17 November 1999

2. At the Council meeting on 17 November 1999, Hon Emily LAU asked, among other things, whether the executive authorities would review if the roads and highways planned for the next decade would tie in with the concept of sustainable development. The question and the reply are available at <http://www.legco.gov.hk/yr99-00/english/counmtg/hansard/991117fe.pdf>.

Written question raised by Hon Christine LOH on social impact assessments on Government policies and programmes on 15 December 1999

3. At the Council meeting on 15 December 1999, Hon Christine LOH asked, among other things, whether the Government, in conducting social impact assessments, would use the social sustainability indicators developed in the Study on SUSDEV 21. The question and the reply are available at <http://www.legco.gov.hk/yr99-00/english/counmtg/hansard/991215fe.pdf>.

Oral question raised by Hon Bernard CHAN on Council on Sustainable Development at the Council meeting on 10 January 2001

4. At the Council meeting on 10 January 2001, Hon Bernard CHAN raised an oral question regarding why the Council on Sustainable Development had not yet been set up, its detailed terms of reference and the estimated time when the public could submit applications for the \$100 million funding support. The question and the reply are available at <http://www.legco.gov.hk/yr00-01/english/counmtg/hansard/010110fe.pdf>.

Oral question raised by Dr Hon Raymond HO on Sustainability Impact Assessment System on Council on Sustainable Development at the Council meeting on 31 October 2001

5. At the Council meeting on 31 October 2001, Dr Hon Raymond HO asked, among other things, how decisions on whether sustainability impact assessment should be conducted on a certain policy or programme were made, and the slow progress regarding the setting up of the Council on Sustainable Development. The question and the reply are available at <http://www.legco.gov.hk/yr01-02/english/counmtg/hansard/cm1031ti-translate-e.pdf>.

Oral question raised by Hon Emily LAU on the principle of sustainable development at the Council meeting on 9 October 2002

6. At the Council meeting on 9 October 2002, Hon Emily LAU asked, among other things, whether the executive authorities had identified policy areas for follow-up in the light of the Earth Summit in Johannesburg, what progress had been achieved in setting up a Council for Sustainable Development and whether a team would be set up to coordinate the implementation of the principle of sustainable development by the various Policy Bureaux during policy formulation. The question and the reply are available at <http://www.legco.gov.hk/yr02-03/english/counmtg/hansard/cm1009ti-translate-e.pdf>.

**Initiatives detailed under "Plan for sustainability" in the relevant Policy Objectives booklets,
the Progress Report on Policy Objectives (2001) issued between 1999 to 2002 and the 2003 Policy Agenda booklet**

Initiative	Target set / progress made					
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	Remarks
1. To issue a Green Paper on the development of environmental policy.	To publish a Green Paper in 1999. Four working groups comprising representatives from different sectors were formed to generate ideas for the development of environmental policy and reported in September 1999.	The Administration is reviewing the need for a Green Paper. A comprehensive action programme has already been published for air pollution control. A similar approach is being considered for other areas such as water pollution control, waste management, conservation and noise.	The Administration has completed the review and concluded that there was no need for a Green Paper. Suitable action programmes will be drawn up to meet specific environmental objectives.		To develop a land use, transport and environmental strategy under the Hong Kong 2030 study to guide the long-term development of Hong Kong.	The Panel on Environmental Affairs has been informed by the Administration that public consultation will be conducted on the review of nature conservation policy. The Administration has tentatively planned to brief the Panel on the subject of conservation policy at its meeting in March 2003.
2. To promote within the public sector environmentally responsible management by requiring all Controlling Officers within the Government to publish reports on their environmental policies and actions and by encouraging government-owned public corporations to do likewise.	All government departments, agencies and publicly-owned corporations to publish environmental reports from the 1999-2000 financial year. Controlling Officers will be required to publish environmental reports starting from 2000.	Starting from the 1999-2000 financial year, all government departments are required to publish environmental reports.				
3. To support public education on environmental issues and publicity on environmental protection work.	In respect of the target of launching in 1999 a three-year public education programme to build up	The public education programme has been launched.				

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
	<p>public awareness and support to address the environmental problems and issues facing Hong Kong, public relations consultant firms will be engaged to implement this three-year public education programme.</p> <p>To commission a mobile Environmental Resources Centre by mid-1999 to enhance the "outreach" activities.</p>	<p>The mobile Environmental Resources Centre is expected to be commissioned in early 2001.</p>	<p>The mobile Environmental Resource Centre was launched in August 2001.</p>			
4.	<p>To enhance schools' ability to provide effective environmental teaching.</p>	<p>In respect of the target of providing schools with updated Guidelines on Environmental Education (EE) in 1999 to strengthen environmental awareness among students, the updated Guidelines on Environmental Education in Schools were distributed to schools in September 1999.</p> <p>In respect of the target of conducting 120 primary school and 30 secondary school visits each year starting from the 1998-1999 school year to advise schools on policies, strategies and resources relating to the promotion of EE, as at end-September 1999, a total of 105 primary school and 30 secondary school visits have been conducted.</p> <p>In respect of the target of organizing 30 in-service teacher education</p>	<p>120 primary school and 30 secondary school visits were conducted in the 1999-2000 school year. This is now a regular activity.</p> <p>A total of 30 in-service teacher education programmes were</p>			

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
	<p>programmes annually from the 1998-1999 school year to equip teachers with the necessary knowledge and expertise in the promotion of EE, a total of 30 in-service teacher education programmes have been organized in the 1998-1999 school year.</p> <p>In respect of the target of providing a catalogue of resources available at the Environmental Education Resources Centre by 1999, the catalogue was issued to all primary and secondary schools in December 1998.</p>	<p>organized in the 1999-2000 school year. This is now a regular activity.</p>				
5. To organize school activities aimed at promoting environmental awareness.	<p>In respect of the target of enabling an increase by 10% in the number of environment clubs in secondary schools in the 1998-1999 school year, 60 environment clubs were set up in the 1998-1999 school year as compared to 40 environment clubs in secondary schools in 1997-1998.</p> <p>In respect of the target of funding 400 school visits to the Mai Po Nature Reserve each year from the 1998-1999 school year, 400 school visits to the Mai Po Nature Reserve were funded by the Education Department in the 1998-1999 school year.</p>	<p>400 school visits to the Mai Po Nature Reserve were funded in the 1999-2000 school year. This is now a regular activity.</p>				

Initiative	Target set / progress made					
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	Remarks
	In respect of the target of organizing 27 residential field study courses, each enrolling 40 pupils, in each of the Sai Kung, Tso Kung Tam and Cheung Chau Field Studies Centres every year from the 1998-1999 school year onwards, 27 residential field study courses, each enrolling 40 pupils, have been organized in each of the Sai Kung, Tso Kung Tam and Cheung Chau Field Studies Centres in the 1998-1999 school year.	27 residential field study courses, each enrolling 40 pupils, were organized in each of the Sai Kung, Tso Kung Tam and Cheung Chau Field Studies Centres in the 1999-2000 school year. This is now a regular activity.				
6.	To review the operation of the implementation of the Environmental Impact Assessment Ordinance (EIAO).	The review has been completed. Four forums on the review of the EIAO have been held or attended, with the initial findings presented to departments and the Planning, Environment and Lands Bureau in May 1999. Apart from the forums, all Provisional District Boards have been briefed to solicit views.				
7.	To encourage the community as a whole to gradually accept the implications of the polluter pays principle.	To ensure papers and presentations on environment-related projects and activities should incorporate explanations of the capital and recurrent expenses involved, and highlight how these are to be recovered.	Action is being taken under the Waste Reduction Framework Plan and the sewerage programme to explain the need for charges to sustain investments in environmental infrastructure and to encourage more environmentally benign behaviour.	The Environment and Food Bureau has been incorporating explanations of the capital and recurrent expenses involved, and highlighting how these are to be recovered in relevant papers and presentations as appropriate.	To implement the polluter pays principle and introduce a landfill charging scheme for construction and demolition waste in 2004.	

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
8. To invite individual businesses to play a greater role in protecting the environment.	<p>In respect of the target of encouraging individual businesses to conduct environmental and energy audits of their companies, 11% of companies listed on the stock exchange now publish an environmental report or other documents containing reference to environmental objectives, policies or performance.</p> <p>In respect of the target of encouraging individual business to appoint a "green manager" within their organizations to promote environmental awareness, a business sector coalition on the environment has been established.</p> <p>In respect of the target of working closely with non-governmental environmental organizations, representatives of non-governmental organisations (NGOs) are regularly appointed to bodies such as the Advisory Council on the Environment and the Environmental Campaign Committee, frequent meetings with individuals NGOs take place at bureau and departmental level.</p>				<p>To promulgate in 2003 a comprehensive nature conservation policy including practicable measures to better conserve ecologically important habitats in close partnership with academics and NGOs.</p>	

Initiative	Target set / progress made					
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	Remarks
9.	To promote greater public participation in the statutory Environmental Impact Assessment (EIA) process.	To directly notify local District Councils of the availability of EIA projects falling within their respective districts and invite comments from the local community.	District Councils are now directly notified of the designated projects in their districts to enhance the participation of the local community.			
10.	To establish effective institutional arrangements to ensure efficient and effective consideration of policies related to the environment and conservation.	To help establish the proposed Environment and Food Bureau by January 2000. To establish a Sustainable Development Unit in 2000. To establish consultative and promotional structures to encourage more sustainable approaches to development in 2000.	The Environment and Food Bureau was established on 1 January 2000. Consultative and promotional structures will be considered after the Sustainable Development Unit is operational.	The Sustainable Development Unit is under the Administration Wing of the Chief Secretary for Administration's Office since April 2001.	The Council for Sustainable Development has yet to be established.	Starting from 1 July 2002, the environment portfolio is under the Environment, Transport and Works Bureau.
11.	To ensure all major policy and strategic initiatives go through full assessment of their social, environmental and economic implications.	To require all major policy and strategic initiatives to undertake "sustainability impact assessment" before recommendations for decisions are made by 2001.	The Study on Sustainable Development for the 21st Century has been completed and will be followed up by the Sustainable Development Unit. 17 EIAs were completed, including the KCRC Tsim Sha Tsui extension was not accepted and the project has to be redesigned to reduce noise impacts and better protect			

Initiative		Target set / progress made					Remarks
		1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
			cultural heritage and ongoing consideration of the EIA for the KCRC Lok Ma Chau spur line. The Environment and Food Bureau will contribute to the development and monitoring of environmental and ecological indicators for sustainability systems as they are introduced.				
12.	To annually update the baseline data contained in the Computer-Aided Sustainability Evaluation Tool used for sustainability assessment purposes.			To complete the first annual updating exercise in 2003 pursuant to the full operation of the assessment system in 2002.	The updating exercise is on schedule.		
13.	To raise understanding and awareness of the concept of sustainable development among bureaux and departments.			To organise seminars, workshops and training sessions for no less than 500 government officers in 2002.	The action has been completed.		
14.	To conduct studies and public consultation on sustainable development.			To seek advice from the Council for Sustainable Development after its establishment on issues to be covered by studies and public consultation.	The Council for Sustainable Development has yet to be established.		
15.	To involve the public in building a sustainable community in Hong Kong.			To recommend to the Council for Sustainable Development a set of guidelines for the use of the Sustainable Development Fund, with a view to making it operational in 2002.	The Council for Sustainable Development has yet to be established.		

Initiative		Target set / progress made					Remarks
		1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
16.	To disseminate information about sustainable development to the general public.			<p>To organize a series of publicity and community educational programmes in 2002 to raise public awareness of sustainable development.</p> <p>To set up by end-2002 a dedicated website on sustainable development.</p>	The action has been completed.		

Council Business Division 2
 Legislative Council Secretariat
 24 February 2003

**Initiatives detailed under "Plan for sustainability" in respect of cooperation with the Mainland
in the relevant Policy Objectives booklets,
the Progress Report on Policy Objectives (2001) issued between 1999 to 2002 and the 2003 Policy Agenda booklet**

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
1. To strengthen co-operation with the Guangdong Authorities on protecting Deep Bay and Mirs Bay.	In respect of the target of carrying out half-yearly audits of the Deep Bay and Mirs Bay Action Plans and to take follow-up actions as agreed under the Hong Kong-Guangdong Environmental Protection Liaison Group (EPLG) (now Mirs Bay and Deep Bay (Shenzhen Bay) Environmental Impact Assessment and Audit Special Panel), half-yearly audits of the Deep Bay and Mirs Bay Action Plans are being conducted. EPLG's work programme for 1999 is being implemented.	Half-yearly audits of Deep Bay and Mirs Bay Action Plans are being conducted. Follow-up action is in progress.	Half-yearly audits of Deep Bay and Mirs Bay Action Plans are being conducted. Follow-up action is in progress. Since 1998, seven audit reports on each of the two Bays have been produced and endorsed by both sides. A Deep Bay Water Pollution Control Joint Implementation Programme is being implemented. A Mirs Bay Water Quality Regional Control Strategy Joint Study has commenced in June 2000.	Action is on schedule.		
2. To work closely with the counterparts on the Mainland, particularly in Guangdong Province, to achieve the common goal of improving the environment.	In respect of the target of starting in 1999 discussion with Guangdong side on possible new initiatives for co-operation, the Administration has proposed to Guangdong greater co-operation on air-pollution control measures, conservation, environmental impact assessment and water quality management.	A Joint Working Group on Environmental Protection and Sustainable Development was set up in June 2000. Both sides agreed to enhance co-operation in the areas of air pollution control measures, conservation, environmental impact assessment and water quality management.				

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
3. To strengthen the cooperation and co-ordination between Hong Kong and Guangdong on environmental management and pollution control efforts in areas of mutual concern.	<p>To participate in the Mainland's Second Marine Pollution Baseline Survey.</p> <p>To discuss with the Guangdong Authorities the setting up of working groups on afforestation and fuel specifications in 1999-2000.</p>	<p>Input has been provided to the Mainland for preparation of the national and regional reports under the Mainland's Second Marine Pollution Baseline Survey. Preparation of the report for the Hong Kong Special Administrative Region (HKSAR) is in progress.</p> <p>A Joint Working Group on Sustainable Development and Environmental Protection was set up in June 2000. Both sides agreed to establish working groups on afforestation and fuel specifications under the Joint Working Group.</p>	<p>A HKSAR Report for the Second Marine Pollution Baseline Survey has been completed and provided to the Mainland in February 2001.</p>			
4. To continue to liaise with the Guangdong Authorities through the Hong Kong Guangdong Environmental Protection Liaison Group on the conservation of Indo-Pacific humpbacked dolphins (also locally known as Chinese White Dolphins).		<p>In respect of the target of maintaining regular contacts with the Guangdong Authorities to exchange information on protection of Chinese White Dolphins in the Pearl River Estuary, liaison on this matter is now being taken up under the Hong Kong-Guangdong Joint Working Group on</p>				

Initiative	Target set / progress made					Remarks
	1999 Policy Objectives booklet of the Planning, Environment and Lands Bureau	2000 Policy Objectives booklet of the Environment and Food Bureau	2001 Policy Objectives booklets of the Administration Wing of the Chief Secretary for Administration's Office and the Environment and Food Bureau	Progress Report on Policy Objectives (2001) issued in 2002	2003 Policy Agenda booklet	
		Sustainable Development and Environmental Protection.				
5.	To introduce a pilot emissions trading scheme among power plants in Hong Kong and Guangdong.				To optimise the use of resources in the reduction of emissions in the same air shed as part of the current programme with the Guangdong Provincial Government to improve the air quality in the Pearl River Delta Region.	The Panel on Environmental Affairs was informed of the plan during the briefings by Secretary for the Environment, Transport and Works on 22 July 2002, 31 October 2002 and 14 January 2003.