

Legislative Council Panel on Constitutional Affairs

2009-2010 Policy Agenda

INTRODUCTION

This paper briefs Members on the initiatives of the Constitutional and Mainland Affairs Bureau (CMAB) set out in the 2009-10 Policy Agenda.

POLICY AGENDA

2. We will pursue five new initiatives and will continue to implement eight on-going initiatives.

New Initiatives

- (a) Carry out the public consultation on the possible options for amending the methods for electing the Chief Executive (CE) and for forming the Legislative Council (LegCo) in 2012 and present to the LegCo within 2010 the proposed amendments to Annexes I and II to the Basic Law, with a view to determining the two electoral methods within the tenure of the third-term Hong Kong Special Administrative Region (HKSAR) Government. This could then lay a foundation for attaining universal suffrage for the CE in 2017, and for the LegCo in 2020.
- (b) Strengthen the co-operation with Guangdong Province in taking forward the implementation of “The Outline of the Plan for the Reform and Development of the Pearl River Delta (2008-2020)”, including the drawing up of a framework agreement with Guangdong Province on co-operation between the two places. We will strengthen the functions and establishment of the Hong Kong Economic and Trade Office in Guangdong to prepare for the setting up of a dedicated unit for liaison with Shenzhen.

- (c) Broaden the scope and depth of exchanges and interaction between Hong Kong and Taiwan to complement the establishment of the bilateral business co-operation committees in the two places.
- (d) Consolidate views received in the public consultation exercise on the Review of the Personal Data (Privacy) Ordinance and arrange for further public discussions on possible legislative proposals.
- (e) Formulate the way forward on the recommendations of the Law Reform Commission on stalking and make preparations for undertaking public consultation on the issue.

On-going Initiatives

- (f) Continue our work on facilitating ethnic minorities to integrate into the community, including sponsoring non-government organisations (NGOs) to operate support service centres for ethnic minorities and taking forward administrative guidelines for relevant public authorities to promote racial equality and ensure equal access to public services in key areas concerned.
- (g) Continue our work on the promotion of human rights.
- (h) Continue to implement the Political Appointment System.
- (i) Continue to facilitate the implementation of “One Country, Two Systems” and to demonstrate its success; and to strengthen our efforts in promoting public awareness and understanding of the Basic Law.
- (j) Co-ordinate cross-bureaux efforts in taking forward and complete HKSAR’s post-quake reconstruction support work in Sichuan. Following LegCo’s approval to inject \$9 billion into the Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas (the Trust Fund), the HKSAR Government has in three stages undertaken 152 reconstruction support projects in Sichuan. These projects cover education, medical and rehabilitation, social welfare, highway infrastructure and reconstruction of the Wolong Nature Reserve. The Trust Fund has also provided funding

to Hong Kong NGOs to undertake reconstruction support projects in Sichuan.

- (k) Continue our preparation for participation in the Shanghai Expo 2010 to showcase HKSAR's unique strengths, quality city life and position as a creative capital.
- (l) Follow up with the relevant Mainland authorities on how the HKSAR can complement the preparation of the National 12th Five-Year Plan under the principle of "One Country, Two Systems". The objectives are to help ensure that we can make necessary preparations to realise Hong Kong's development potentials, and to facilitate our timely and effective contribution to the Mainland's social and economic development during the 12th Five-Year Plan period.
- (m) Continue to strengthen regional co-operation through our co-operation mechanism with the Pan-Pearl River Delta Region; the Guangdong Province; the Municipalities of Beijing, Shanghai and Shenzhen; and the Macao Special Administrative Region.

Details of the above initiatives are covered in the following paragraphs.

Public consultation on the Methods for Selecting the CE and for Forming the LegCo in 2012

3. The decision promulgated by the Standing Committee of the National People's Congress (NPCSC) in December 2007 makes clear the universal suffrage timetable: that for the CE is 2017 and that for the LegCo is 2020. The decision also determines that appropriate amendments conforming to the principle of gradual and orderly progress may be made to the two electoral methods in 2012.

4. The aim of the current term HKSAR Government is to determine the two electoral methods for 2012 within the tenure, so as to inject new democratic elements into the electoral methods. This could pave the way for implementing universal suffrage in 2017 and 2020. We will launch the public consultation on the two electoral methods for 2012 in November and the relevant preparation work has entered the final stage. During the public consultation period, we will listen widely to the views of the LegCo, different political parties and groups, as well as individuals and organisations of different sectors of the community through various

consultation activities.

5. After summarizing the views received, we will present to the LegCo the proposed amendments to Annexes I and II to the Basic Law. The relevant amendments will need to receive the endorsement of two-thirds majority in the LegCo, obtain the consent of the CE and be reported to the NPCSC for approval or for the record. We hope that this process can be completed within next year.

Political Appointment System

6. The HKSAR Government will continue to implement the Political Appointment System. Regarding the filling of the outstanding positions of Under Secretaries and Political Assistants in the Government, our consistent position is that, if there are suitable candidates, such positions will be filled. If necessary, this could be done in phases.

Promotion of the Basic Law

7. To enhance public understanding of the Basic Law, we have set aside \$16 million for 2009-10 for organising various promotional activities. In the coming year, we will adopt “The 20th Anniversary of the Promulgation of the Basic Law” as the main theme, so as to enable the public to have a better understanding of the relationship between the Central Authorities and the HKSAR, and the importance of the Basic Law to Hong Kong’s implementation of “One Country, Two Systems”, “Hong Kong People ruling Hong Kong” and a high degree of autonomy. We will continue to make use of the electronic media as the main promotional channel, including TV programmes, game shows and Announcements of Public Interest to enhance the effect of the promotional activities. Besides, we will continue to cooperate with NGOs in organizing various activities to promote the important concepts of the Basic Law to different sectors of the community.

Guangdong-Hong Kong and regional co-operation

8. Over the past 30 years, Hong Kong has participated fully in the opening up and reform of the Mainland, particularly in the industrialization and modernization of Guangdong. This has enabled Hong Kong to be transformed successfully from a manufacturing-based economy into one which is service-oriented. Looking ahead, Hong Kong will continue to play an important role in the development of the Mainland.

9. In the next 30 years, one of the major foci of development in the Mainland will be service industries. Hong Kong has ample experience and expertise in this regard. By leveraging on our status as an international centre of financial services, trade and shipping, we have much to contribute to the further development of the Mainland. At the same time, we can make use of the opportunity to enhance and develop our own service industries, which will help promote and sustain the long term economic development of Hong Kong.

10. The “Outline of the Plan for the Reform and Development of the Pearl River Delta” (the Outline), promulgated by the National Development and Reform Commission in January this year, elevates co-operation between Hong Kong and Guangdong to a national strategic level and enables Hong Kong to further develop service industries in the Mainland. To implement the Outline, we are working closely with Guangdong in drawing up a framework agreement for Hong Kong/Guangdong co-operation. This will become an official agreement between the two places. It will help translate the macro policies in the Outline into concrete measures conducive to the development of both places. We will continue to work closely with Guangdong, so as to seek to incorporate the relevant initiatives into the National 12th Five-Year Plan. Together with Guangdong and Macao, we will also formulate regional co-operation plans on “building a quality living circle” and on “cross-boundary infrastructural facilities”.

11. Apart from fostering closer co-operation with Guangdong, the HKSAR Government will also continue with liaison work with other regions in the Mainland under the established co-operation mechanisms, including the Pan-Pearl River Delta Regional Co-operation and Development Forum; the Hong Kong/Guangdong Co-operation Joint Conference; the co-operation framework with Shenzhen; the Hong Kong/Shanghai and Hong Kong/Beijing Economic and Trade Co-operation Conferences; and with Macao SAR through the Liaison Officers’ mechanism.

12. To enhance Hong Kong/Shenzhen co-operation, as well as to enhance support to Hong Kong residents and enterprises in Shenzhen, we will strengthen the functions and establishment of the Hong Kong Economic and Trade Office in Guangdong to prepare for the setting up of a designated unit for liaison with Shenzhen. We will explore actively with the Guangdong Provincial Government and Shenzhen Municipal Government on how to leverage on the strengths of Hong Kong,

Guangdong and Shenzhen, with a view to rolling forward the development of modern service industries in Qianhai.

Hong Kong-Taiwan relations

13. We are pleased to see positive development in the cross-Strait relations in the past year. At the same time, we have taken proactive measures to further promote Hong Kong-Taiwan relations. The Hong Kong Trade Development Council opened its office in Taipei. We organised the Hong Kong-Taiwan Inter-City Forum. We also implemented entry facilitation measures for the Taiwanese. All these measures help foster communication and exchanges between the two places. The establishment of the bilateral business cooperation committees will further enhance cooperation between the two places.

14. Looking ahead, with further development in the cross-Strait relations, Hong Kong-Taiwan relations should also be further advanced. The Administration has conducted our internal study and determined longer term policy directions in Taiwan-related work.

(a) Establishing Hong Kong-Taiwan co-operation framework

This June, we reached consensus with the Taiwan side on the principles for establishing the bilateral business cooperation committees. In the past few months, we have been liaising closely with our Taiwan counterparts. We believe that with concerted efforts on both sides, the bilateral business cooperation committees could be set up soon.

To prepare for long term development in Hong Kong-Taiwan relations, we will establish the Hong Kong-Taiwan Economic and Cultural Co-operation and Promotion Council to promote multi-faceted exchanges with Taiwan in the economic, cultural and other spheres. While the Council is not a government entity, the HKSAR Government officials will participate and provide full support to its work and activities in an appropriate capacity. The Administration will also provide resources for the Council. The Council will study and deal with certain issues of public policy concerning Hong Kong-Taiwan cooperation, and will cover these issues in liaising with the Taiwan side.

The HKSAR Government will continue to examine

proposals which will help foster closer relations between Hong Kong and Taiwan, including the setting up of a multi-functional office in Taiwan at an appropriate time and in an appropriate capacity and form to enhance exchanges between the two places.

(b) Conducting bilateral economic co-operation with Taiwan

Over the years, Hong Kong has established close economic and trade ties with Taiwan. However, there is still room for further development, particularly in the services sectors, such as finance, banking, logistics and professional services, etc. Hong Kong is experienced in dealing with international commerce, and in exploring markets and promoting products in the Mainland. Taiwan is an important economy in the Asian region. We believe that Hong Kong and Taiwan can engage in closer economic co-operation, with a particular focus on trade in services.

We will engage Taiwan in the discussion of arrangements for the avoidance of double taxation. We have been in touch with the Taiwan side on the avoidance of double taxation arrangements for shipping income. We will continue to examine similar arrangements in other areas.

(c) Playing an active role in financial, economic and trade and tourism exchanges among the Mainland, Taiwan and Hong Kong

Economic co-operation across the Strait has continued to enhance in the past year. Hong Kong, being an international financial, trade and shipping centre, is well placed to play an active role in the cross-Strait financial, economic and trade and tourism exchanges.

With the support of the Central Authorities, Hong Kong can develop Renminbi (RMB) clearance business as well as the issue of RMB bonds. With Hong Kong's experience of being an international financial centre, we believe that Hong Kong can help facilitate business activities between the Mainland and Taiwan by providing RMB clearing services.

The Mainland, Hong Kong and Taiwan have long been top

ranked tourism spots for travellers. The tourism trade in Hong Kong has been well developed, with extensive experience in operating in-bound and out-bound tours; the facilities and operation of our international airport are of world class standards; with our advantageous geographic location and the construction of the new cruise terminal, Hong Kong could become an important cruise centre in the region. Under CEPA Supplement VI, the Central Authorities have already allowed the Mainlanders who are on tours to Taiwan to stop over and enter Hong Kong during their trips. To fully grasp the opportunities brought by the multi-destination tours in the Mainland, Taiwan and Hong Kong, we will seek to make local travel agencies eligible for operating tours to Taiwan from the Mainland. We will also continue to study proactively ways to further develop airborne and cruise tourism among the three places.

We will also continue to sponsor NGOs in staging various activities to promote Hong Kong/Taiwan relations, for example, symposium and youth cultural exchanges.

Review of the Personal Data (Privacy) Ordinance (PDPO)

15. The HKSAR Government, with the assistance of the Privacy Commissioner for Personal Data, has conducted a comprehensive review of the PDPO to examine whether its existing provisions still offer adequate protection to personal data having regard to developments, including advancement in technology, over the last decade or so.

16. As the proposals identified in the PDPO review will impact on various sectors of the community, public and private organizations, as well as members of the public, we published a consultation document to invite public views in this regard in August 2009. The public consultation period will last three months until 30 November. Following this round of public consultation, we will consolidate the views received and formulate the proposed way forward. We will then arrange for further public discussions on possible legislative proposals.

Law Reform Commission (LRC)'s Report on Stalking

17. The LRC Report on Stalking proposed the introduction of anti-stalking legislation, which will render the pursuit of a course of conduct causing another person alarm or distress a criminal offence and a

civil wrong. The LRC's proposal has attracted concern among interested parties in the community. Some aspects of the proposal are controversial, for example, media organisations have expressed concerns about the lack of a specific defence for the press in the proposal. We need to address these concerns and to reach general consensus within the community on the way forward having regard to the need to balance the legitimate interests of all parties concerned.

18. We are assessing the implications of the LRC recommendations in consultation with relevant bureaux and departments and in the light of the latest overseas developments. We will formulate the way forward on the LRC's proposal in the coming year and make preparations for undertaking public consultation on the issue.

Promotion of racial equality

19. The Race Discrimination Ordinance (RDO) and the respective subsidiary legislation, and the Code of Practice on Employment under the RDO, came into full operation in July 2009. We have provided additional resources to the Equal Opportunities Commission (EOC) for the implementation of the RDO.

20. We will finalise the Administrative Guidelines on Promotion of Racial Equality for bureaux and departments concerned to promote racial equality and ensure equal access to public services in key areas, and also to take racial equality into account in their formulation, implementation and review of relevant policies and measures. We will keep in view the implementation of the Guidelines.

21. The four support service centres for ethnic minorities have commenced operation earlier this year. These centres, operated by NGOs under our funding grants, provide support services, such as language classes, counselling and referral services, to facilitate the integration of ethnic minorities into the community and their access to public services. We also continue to provide a range of other support services through NGOs. We will continue to monitor the performance of these support services and keep the provision of services under review.

Promotion of human rights

22. In Hong Kong, there is an extensive mechanism for the protection and promotion of human rights, including the rule of law, an independent judiciary and various institutions such as the EOC, the Privacy

Commissioner for Personal Data and the Ombudsman. We also report to the United Nations periodically on the implementation of relevant human rights conventions.

23. We will continue to publish and distribute publicity materials and sponsor community projects to foster public participation in the promotion of different aspects of human rights. Funds have been earmarked for disbursements through the Children's Rights Education Funding Scheme and the Equal Opportunities (Sexual Orientation) Funding Scheme. We will continue to maintain regular dialogue with relevant community groups and human rights organizations through various fora to enhance promotion activities.

Post-quake reconstruction support work in Sichuan

24. At the meetings of 18 July 2008, 20 February 2009 and 3 July 2009, the Finance Committee of the LegCo approved a total commitment of \$9 billion for injection into the “Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas” (the Trust Fund) to take forward HKSAR’s reconstruction support work. The HKSAR and Sichuan Governments have agreed on a total of 152 reconstruction projects under three stages, covering the five areas of education, medical and rehabilitation, social welfare, highway infrastructure, and reconstruction of the Wolong Nature Reserve. The total financial commitment is about \$8.565 billion. The projects concerned are making steady progress. So far more than 10 projects have commenced construction work or have been completed, and the remaining projects will progressively enter into the construction stage in coming months. As at end of September this year, the Trust Fund has transferred \$1.956 billion (about 22.8%) to the dedicated “HKSAR Reconstruction Support Fund Bank Account” set up by the Sichuan authorities.

25. The Sichuan and HKSAR Governments have both attached considerable importance to the quality, management and monitoring work of HKSAR’s reconstruction support projects, and have drawn up a series of safeguarding measures. These include phased funding transfer arrangement in accordance with actual project milestone progress; setting of technical engineering standards in strict accordance with the relevant Mainland laws and regulations; competitive, open and fair tendering; independent project monitoring, inspection and auditing of projects by concerned Mainland authorities in accordance with the relevant Mainland laws and regulations; submission of supporting documents on project

progress, monitoring of quality and use of funds etc by Sichuan to the Hong Kong side for perusal; and hiring of independent professional consultants by the HKSAR Government to assist in the site inspection and examination of relevant documentation.

26. In addition to government-to-government projects led by the HKSAR Government, the Trust Fund has also invited NGOs in Hong Kong to apply for funding to take forward their proposed reconstruction projects in Sichuan. In total, up to the end of September, the Trust Fund has approved 25 projects comprising both software and hardware components, covering areas of education, medical services, social welfare, psychological rehabilitation and training, prosthesis and medical rehabilitation and training, and community facilities etc. The total approved amount is about \$226 million.

27. CMAB will continue to assist relevant policy bureaux in liaising and coordinating with the Sichuan side to ensure that the HKSAR reconstruction support work will be implemented smoothly.

Shanghai Expo 2010

28. The Shanghai Expo will open on 1 May next year and will last six months until 31 October 2010. HKSAR will participate by building a stand-alone Hong Kong Pavilion, taking part in the Urban Best Practice Area (UBPA) Exhibition, taking part in Expo On-line and organising a series of events and promotional activities.

29. Preparations for the project and related activities are well underway. The steel structure of the Hong Kong Pavilion was completed in early October. Installation and fitting-out works are in progress. These are targetted for completion in late March/early April 2010 to enable trial runs to be conducted before the official opening.

30. As regards the UBPA exhibition, tenders for the design and execution and for project management have been awarded. Detailed planning and design of the exhibition is being pursued proactively. Mock-up testing will be completed by the end of November, in time for installation upon handing over of the exhibition area from the Expo Organiser.

31. The contracts for the on-line Hong Kong Pavilion and on-line UBPA exhibition have also been awarded. We are working closely with the contractor on detailed development, for launching the on-line Pavilion

and exhibition on 1 May 2010, to coincide with Expo opening.

32. We are also planning a series of events and cultural performances to augment and promote Hong Kong's participation in Expo. Pre-Expo publicity and count-down events are being held to promote community awareness and interest. A major pre-Expo Forum will be held in Hong Kong in January 2010. Throughout the six-month Expo period, events and activities will be held to showcase Hong Kong's strength and advantages in areas such as green living, tourism, financial services, culture and arts and creative industries. We will organise cultural performances in Shanghai every month. Besides, we will organise a Hong Kong Week at Expo from 18 to 22 October 2010, with special performances, parades and other high-profile events to promote Hong Kong's image. We will also organise other promotion and publicity activities, including advertisements, roving exhibitions, commemorative stamp issue and street buntings.

Complementing the preparation of the National 12th Five-Year Plan

33. Since reunification, the HKSAR has progressively developed closer ties with the Mainland. With the Mainland's sustained growth, it is important to the HKSAR's development that we can assume an active role in complementing the preparation of the National 12th Five-Year Plan.

34. The National 11th Five-Year Plan states clearly the position of "supporting Hong Kong in the development of its services industries such as financial services, logistics, tourism and information services; and the maintenance of Hong Kong's status as an international financial, trade, and maritime centre". The National 12th Five-Year Plan will provide a very useful platform for the HKSAR, by further leveraging on our strengths and pushing forward win-win co-operation with the Mainland, to make timely and effective contributions to national development while maintaining our prosperity and stability.

35. Through establishing our direct working relationship with the National Development and Reform Commission, we have initiated active liaison in pushing forward our complementary work with regard to the preparation of the National 12th Five-Year Plan. In May, we arranged a meeting in Beijing between the relevant policy bureaux and the National Development and Reform Commission to commence discussion in various policy areas. In end September, we also organised a seminar in Hong Kong to have wider discussions with the National Development

and Reform Commission. We will continue to coordinate efforts among policy bureaux concerned and further strengthen liaison with the relevant central authorities.

CONCLUSION

36. Members are invited to note the content of this paper.

Constitutional and Mainland Affairs Bureau
October 2009