

## **Legislative Council Panel on Constitutional Affairs**

### **2005-06 Policy Agenda**

#### **Introduction**

This paper briefs Members on the initiatives of the Constitutional Affairs Bureau (CAB) set out in the 2005-06 Policy Agenda.

#### **Effective Governance**

2. Under the guiding principle of “Effective Governance”, we will pursue one new initiative and will continue to implement three ongoing initiatives. Details are as follows:

##### **New Initiative**

- (a) Examine the possibility of further developing the existing political appointment system through creating new non-civil service positions (such as assistants to Directors of Bureau) to be taken up by appointments of people from various sectors, including the political, professional and business sectors as well as the civil service.

##### **Ongoing Initiatives**

- (b) Continue to take forward constitutional development after 2007. In doing so, we will consider carefully the views collected from the community on how the methods for the selection of the Chief Executive (CE) in 2007 and for forming the Legislative Council (LegCo) in 2008 may be changed in accordance with the Basic Law and the Decision of the Standing Committee of the National People’s Congress (NPCSC) of 26 April 2004. The Constitutional Development Task Force will soon publish its fifth report to set out the Government’s proposals. The Task Force will strive to gain the support of the public and the LegCo. We very much hope that a consensus on the way forward will emerge by late 2005 and that work on local legislation can commence by early 2006.

- (c) Prepare for the review of the role, functions and composition of District Councils (DCs). In doing so, we will take into account the experience of the operation of the second term DCs. Public consultation on the review is expected to commence in the first quarter of 2006.
- (d) Continue to facilitate the implementation of ‘One Country, Two Systems’ and to demonstrate its success; and to facilitate the promotion of public awareness and understanding of the Basic Law.

### **Vibrant Economy**

3. Furthermore, under the guiding principle of “Vibrant Economy”, we will pursue three initiatives as follows:

#### **New Initiatives**

- (a) Establish a Mainland Affairs Liaison Office (MALO) in CAB. The MALO will co-ordinate Hong Kong's regional co-operation initiatives with the Mainland and keep an overview of the liaison functions of the Beijing Office and the Guangdong Economic and Trade Office with the relevant Mainland authorities.
- (b) Strengthen our representation in the Mainland to further the economic and investment interests of Hong Kong.

#### **Ongoing Initiative**

- (c) Participate actively in Pan-Pearl River Delta (PPRD) regional co-operation to implement the PPRD Regional Co-operation Framework Agreement signed in June 2004 with the governments of the various PPRD provinces and regions.

Details of the above seven initiatives are set out in the following paragraphs.

## **Further development of political appointment system**

4. The CE said in the Policy Address that we will consider creating within our executive agencies a small number of new positions dedicated to political affairs so as to further improve the Accountability System. Their main duty will be to support the CE and the Principal Officials in their political work. Specifically, we will examine the possibility of creating new non-civil service positions (such as assistants to Directors of Bureau) to be taken up by appointments of people from various sectors, including the political, professional and business sectors as well as the civil service.

5. We see the need for furthering the development of the political appointment system because of two main reasons. Firstly, as mentioned in the Policy Address, we should strengthen support for the politically appointed officials so that they can reach out to various social sectors more actively, and seek wider and more solid public support for the Government. The experience in the past years has demonstrated that even if the HKSAR Government puts forth constructive policy proposals, we still need to build up support in different spheres and sectors in order to secure community acceptance. This objective cannot be met over a short space of time. It requires sustained and conscientious efforts over an extended period.

6. Secondly, we need to provide a channel to groom political talents to prepare for Hong Kong's further constitutional development. This issue has been discussed in the second report of the Constitutional Development Task Force. At present, those who wish to pursue a political career can stand for elections and join DCs and LegCo. However, there are insufficient opportunities within the established institutions to allow such people to take part directly in the work of the Government. To enable Hong Kong's political talents to gain more complete experience in governance and to complement Hong Kong's long-term constitutional development, we should provide a new channel for publicly spirited individuals to join the Government to acquire practical knowledge of Government operations and nurture their public administration skills. Such a scheme should also allow civil servants aspiring to a political career to leave the civil service to take part in politics.

7. In considering any proposals on the further development of the political appointment system, we will ensure that the fine traditions of a permanent, professional and politically neutral civil service will be preserved. This will allow civil servants to continue to serve the community by assisting the political tier in formulating and implementing policies and delivering services to the public in an impartial and professional manner.

8. We understand that some members of the community and the civil service have concerns about the proposal of creating new positions to be responsible principally for political work. We will formulate a comprehensive package of proposals in consultation with senior civil servants and issue a consultative document in the first half of next year to canvass the views of the civil service, political groups and the community, including the views of LegCo Members, so that any proposals put forth will meet the concerns of the community.

### **Constitutional Development for 2007 and 2008**

9. The Constitutional Development Task Force will publish shortly the Fifth Report, and put forward a set of proposals on the methods for selecting the CE in 2007 and for forming the LegCo in 2008.

10. Since its establishment in January 2004, the Task Force has been collecting views from the general public and different sectors of the community on the issue of constitutional development. The set of proposals is the product of wide and open public consultation conducted in stages during the past year or so. In formulating the set of proposals, the Task Force has considered carefully the views of the community and has had regard to the following principles:

- (a) the proposals should be consistent with the relevant provisions of the Basic Law, as well as the Interpretation and Decision of the NPCSC in April 2004;
- (b) the proposals should provide more room and opportunities for the public to participate in the elections of the CE and the LegCo and broaden the representativeness of the two electoral systems; and
- (c) the proposals should move forward towards the ultimate aim of universal suffrage in accordance with the principle of gradual and orderly progress.

11. After the Fifth Report has been published, the Task Force will strive to gain the support of the LegCo and members of the public.

### **Review of Role, Functions and Composition of District Councils**

12. We expect that the review of the role, functions and composition of DCs and the consultation exercise will commence in the first quarter of next year. A working group set up by the Home Affairs Bureau and CAB is making preparation for the review. The working group will consider how the proposal on expanding the role of DCs will be implemented. The Government intends to allow DCs to assume responsibility for the management of some district facilities, such as libraries, community halls, leisure grounds, sports venue and swimming pools. The executive departments will follow the decisions of the DC in managing such facilities, within the limits of their existing statutory powers and resources available. The working group will consider carefully the details of the proposal and will take into account the views of DCs when drawing up the details.

13. The above DC review will also cover electoral-related matters. For example, we will consider whether adjustment is required to the number of seats in the light of an increase in the district population.

### **Implementation of “One Country, Two Systems” and Promotion of Basic Law**

14. We will continue to assist bureaux and departments to establish channels of communication and to develop a good working relationship with the relevant Mainland authorities, as well as with the Government of the Macao SAR. We will further promote better understanding between the HKSAR Government and the Mainland authorities, as well as Macao's, through visits and other contacts.

15. In accordance with the “Qian's Seven Principles”, we will continue to promote economic and trade ties and cultural exchanges between Hong Kong and Taiwan, and brief Taiwan visitors on the latest development in Hong Kong and the implementation of the “One Country, Two Systems”. In the past, we have assisted in arranging visits to Hong Kong by representatives from the business, media, academic, legal and medical sectors in Taiwan, as well as the Taipei Government and City Council. The HKSAR Government will continue to strengthen such exchanges with various sectors of Taiwan.

16. To facilitate the conduct of HKSAR's external affairs, CAB will continue to act as a focal point of contact between the HKSAR Government and the Office of the Commissioner of the Ministry of Foreign Affairs (OCMFA). We will also continue to advise bureaux and departments on the conduct of the HKSAR's external affairs in accordance with the relevant provisions of the Basic Law and the "One Country, Two Systems" principle.

17. We will step up our efforts in promoting the Basic Law, with a view to enhancing public understanding of the 'One Country, Two Systems' principle and the Basic Law. According to the results of a survey conducted lately, the percentage of people who claimed to have heard of the Basic Law has risen from 80% in 2000 to 88% in 2004. The percentage of those who consider themselves "having some knowledge" and "having a good knowledge" of the Basic Law doubled from 25% to 51%. These indicators show that the efforts made by the Government and non-governmental organisations in promoting the Basic Law have been effective.

### **Establishment of Mainland Affairs Liaison Office, Increased Representation in Mainland and Regional Co-operation**

18. We propose to increase our representation in the Mainland, and to establish a Mainland Affairs Liaison Office (MALO) by incorporating the Hong Kong Guangdong Co-operation Co-ordination Unit into CAB. This office will oversee the work of all our offices in the Mainland.

19. Since reunification, CAB has been responsible for dealing with the work relating to the liaison between the HKSAR Government and the relevant departments of the Central Authorities (in particular the Hong Kong and Macao Affairs Office of the State Council and OCMFA), and co-ordinating the handling of important issues involving the relationship between the Central Authorities and the HKSAR as well as the external affairs of the HKSAR. The HKSAR Government has also established co-operation and communication mechanisms with the ministries of the Central Authorities in different policy areas. For example, through the Mainland/HKSAR Conference on the Co-ordination of Major Infrastructure Projects, the HKSAR Government has strengthened co-operation with the National Development and Reform Commission on major cross-boundary infrastructural projects. We have also established a notification system with the Ministry of Health on infectious diseases, whereby monthly reports are being made to Hong Kong on the infectious diseases and major disease outbreaks in the Mainland.

20. In the past eight years, the Central Authorities put in place a number of major measures, including the CEPA, Individual Visit Scheme, etc. Implementing these policies requires concerted efforts from provincial and municipal governments. At the same time, we also actively encourage the enterprises in Mainland provinces/municipalities to develop their business in Hong Kong. Thus, the co-operation between the Mainland and Hong Kong has taken on a new dimension. If we wish to open up more development opportunities in the Mainland for Hong Kong and to encourage more Mainland enterprises to invest in Hong Kong, not only should we continue to maintain close links with the departments of the Central Authorities, we should also establish contacts and strengthen co-operation with the provincial/municipal governments. In this regard, the HKSAR Government needs to strengthen its representation in the Mainland and refine our strategy.

21. Furthermore, Hong Kong has actively developed our regional co-operation mechanism with the Mainland in recent years. As Guangdong is located right next to Hong Kong, through efforts applied in the last seven years, the co-operation between the two sides under the framework of the Hong Kong/Guangdong Co-operation Joint Conference has become increasingly effective and has been translated into substantive progress in different areas. These include implementation of the round-the-clock operations of the Lok Ma Chau Boundary Control Point, taking forward major infrastructure projects including the Hong Kong-Shenzhen Western Corridor and Guangzhou-Shenzhen-Hong Kong Express Rail Link, the relaxation of “one-truck one-driver” requirement and the “four-up four-down” rule to enhance the efficiency of cargo flow, as well as jointly working for the emissions reduction targets for air pollutants by 2010, etc.

22. We established a trade and economic co-operation mechanism with Shanghai and Beijing in 2003 and 2004 respectively. Furthermore, the Pan-Pearl River Delta (PPRD) Regional Co-operation is still in its inception stage. As a number of provinces/regions are involved and each province/region has its respective economic strengths, the question as to how Hong Kong should position itself in the regional co-operation to achieve complementarity between provinces/regions is an issue that needs to be considered and pursued by the HKSAR Government on an on-going basis. The overall strategy of the HKSAR Government for PPRD regional co-operation is to continue to take advantage of our position as Asia’s World City, to foster co-operation with various provinces based on our relative strengths. We will focus our efforts on

several areas. We will fully capitalise on our strength as an international logistics hub, by improving our infrastructure and transportation links with the nine provinces in the PPRD region. Under the framework of CEPA, Hong Kong will provide professional services in the Mainland. We will also encourage Mainland enterprises to make use of our status as an international financial centre to access the international market. The MALO will co-ordinate the efforts of relevant bureaux and departments in addressing these issues.

23. Specifically, the functions of the MALO include:

- (a) formulating the overall strategy and direction with regard to co-operation between Hong Kong and Mainland provinces/regions by promoting co-operation between HKSAR and Mainland provinces/regions (including HKSAR's participation in the PPRD regional co-operation and our co-operation with Guangdong, Beijing, Shanghai and Shenzhen), and prioritising different co-operation initiatives;
- (b) keeping an overall view on the general liaison functions of the Beijing Office (BJO) and Economic and Trade Offices (ETOs) in the Mainland, and in conjunction with these offices formulating workplans to strengthen our relations with the Mainland; and
- (c) providing the secretariat service required by the Hong Kong side in the above co-operation initiatives. As for Hong Kong/Guangdong co-operation, we will continue to promote and co-ordinate co-operation in key areas under the framework of the Hong Kong/Guangdong Co-operation Joint Conference, and provide support services for the work of the Greater Pearl River Delta Business Council.

24. To take forward the above functions of strengthening communication and co-operation with Mainland provinces/municipals, we would need to expand our presence in the Mainland. In addition to the BJO and the Guangdong ETO, we propose to establish offices in Chengdu and Shanghai, to promote our exchanges and co-operation respectively with the eastern and southwestern region, to provide better support services for Hong Kong businessmen and to attract more Mainland enterprises to invest in or be listed in Hong Kong. These four



offices will cover all the provinces/regions in the Mainland. Our preliminary proposals are for the Guangdong ETO to be responsible for five provinces, namely Guangdong, Guangxi, Fujian, Jiangxi and Hainan; the office in Chengdu will cover Sichuan, Yunnan, Guizhou, Hunan, Shaanxi and Chongqing, while the Shanghai office will be responsible for the Yantze River Delta Region and surrounding areas, i.e. Shanghai, Jiangsu, Zhejiang, Anhui and Hubei; and the BJO will be responsible for the remaining provinces/regions.

25. We will also explore the feasibility of extending the functions of Guangdong ETO with a view to providing assistance to Hong Kong residents in distress in the relevant provinces/regions.

26. The Commerce, Industry and Technology Bureau and the Security Bureau will respectively continue to oversee the functions of individual Mainland offices, regarding economic and trade relations and investment promotion, and the provision of assistance to Hong Kong residents in distress.

## **Conclusion**

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

Constitutional Affairs Bureau  
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