

香港特別行政區政府  
中央政策組



**CENTRAL POLICY UNIT**  
The Government of the Hong Kong  
Special Administrative Region

22 January 2018

Clerk to the Establishment Subcommittee,  
Legislative Council Secretariat,  
Legislative Council Complex,  
1 Legislative Council Road,  
Central, Hong Kong  
(Attn: Mr Keith WONG)

Dear Mr WONG,

**Questions about the Re-organisation of the Central Policy Unit  
as the Policy Innovation and Co-ordination Office**

With reference to Hon WU Chi-wai's request for reply from the Government to his questions on four areas of the work of the Policy Innovation and Co-ordination Office (PICO) upon re-organisation in his letter to the Chairman of the Establishment Subcommittee on 15 January 2018, our response is as follows:

*Effectiveness and Indicators of Turning Policy Research into Specific Policies*

2. As set out in paragraph 5 of the paper number EC(2017-18)14, one of the new key functions of PICO is "co-ordinating major cross-bureaux policies selected by the Chief Executive and the Secretaries of Departments to help achieve policy objectives". Reviewing existing policies and legislation to foster the development of a new economy is only one of the tasks under that function. As stated in paragraph 10 of the paper, in carrying out its work, PICO will engage the relevant policy bureaux more closely in the selection of research topics and formulation of study scope, collection of information, discussion of policy options, formulation of implementation plan and evaluation of results. Every cross-bureaux policy research and co-ordination work will be conducted in close collaboration with the relevant bureaux, which will be responsible for the necessary legislative amendments and implementation. Upon its establishment, PICO will discuss the detailed work arrangement with the relevant bureaux.

3. Since the research methodologies, scales and complexities of research projects are not the same and the Chief Executive and the Secretaries of Departments may from time to time assign new research and co-ordination tasks to PICO having regard to social development and new circumstances encountered in the course of policy implementation, we do not consider it practicable to set quantitative targets for the number of research and co-ordination projects.

#### *Selection of Specific Policy Areas for Research*

4. The “priority policy areas” mentioned in paragraph 10 of the paper correspond mainly with its internal division of work taking into account the current government structure, such as the clustering of policies related to finance, economic development and, innovation and technology under one team in PICO; they are not individual research projects. The objective of the internal division of work by policy areas is to foster a quick accumulation of knowledge within PICO and establish connections with organisations within and outside the Government. When carrying out such work, we will flexibly deploy manpower and form project teams for joint research with policy research and co-ordination officers from different teams in accordance with the expertise in need.

5. As mentioned in paragraph 2 above, major cross-bureaux policies to be co-ordinated by PICO will be selected by the Chief Executive and the Secretaries of Departments. Both Head/PICO and Directors of Bureaux may suggest to the Chief Executive and the Secretaries of Departments the policy projects to be co-ordinated by PICO. Members of the Legislative Council, political parties, trade associations and other stakeholders may also reflect to the Government their views on topics to be studied and co-ordinated through different channels for the senior leadership in the Government to decide the division of work.

6. As regards the research on “sharing economy”, the Chief Executive has announced in the 2017 Policy Address a clear objective, which is “work with all bureaux to proactively review the policies and legislation within their policy purview to bring them up to date and remove red tape in order to foster the development of a new economy.” We are collecting basic information and outlining the research direction. Upon the establishment of PICO, we will have further discussion with relevant bureaux about the work plan, including the “sharing economy” activities to be included and their respective priority in research.



### *Transparency in the Operation of PICO*

7. We will seek to enhance the transparency of the work of PICO. For example, we plan to set out in greater detail the estimated expenditure and major tasks of PICO in the annual Estimates. In addition to answering written questions of Member of the Legislative Council, representatives of PICO, where necessary, will attend the Special Finance Committee Meetings of the Legislative Council Finance Committee that examines the estimates of expenditures to answer the Members' questions concerning the estimated expenditure of PICO. Given that the research and co-ordination work of PICO covers different policy areas, and relevant bureaux will consult relevant Legislative Council Panels on specific policy proposals under their ambit at suitable juncture, PICO will focus on policy research and co-ordination at the early stage while the relevant bureaux will continue to be responsible for reporting to the Legislative Council.

8. As regards disclosing the research undertaken by PICO, we will make it open and transparent as far as possible. Research reports of PICO can be divided into two main categories. The first category includes projects funded under the Public Policy Research Funding Scheme and the Strategic Public Policy Research Funding Scheme. According to the current practice, research project reports completed will be uploaded to the website of the Central Policy Unit upon endorsement by the Assessment Panel. The second category is the cross-bureaux policy research and co-ordination work led by PICO, which normally involves more general topics at a preliminary stage with ample room for discussion. In the course of policy formulation, we will pay special attention to the need to make arrangements for early stakeholder engagement and public participation. We will also consider making public the research work completed in accordance with the stage of research.

### *Division of Responsibilities between PICO and Other Departments*

9. There will be no duplication of work between PICO on the one hand and the Innovation and Technology Bureau (ITB) and Invest Hong Kong (InvestHK) on the other. We understand that the post of Assistant Government Chief Information Officer (IT Infrastructure) that ITB has proposed to create will be mainly responsible for providing technical support such as managing the portal "data.gov.hk", advising bureau/departments on the best practices and data format on open data as well as developing a big data analytics platform whereas PICO will be responsible for cross-bureaux co-ordination on formulating policy solutions to assist relevant bureau/departments in expediting the opening-up of government data.

10. PICO will be tasked with providing “first-stop and one-stop” project consultation and co-ordination services, and an important part of which will be relating to offering co-ordinated advisory services to innovative land development projects with broader economic and social merits initiated by non-profit organisations or private sector proponents. Since there may not be an established approval mechanism for such development projects and that a number of departments are involved, the co-ordination of PICO is needed to facilitate implementation of these projects. InvestHK is dedicated to attracting foreign investment to Hong Kong. InvestHK targets overseas and Mainland enterprises interested in setting up businesses in Hong Kong, and offers one-stop and customised support services to them from the planning to implementation stage. If an enterprise’s business in Hong Kong involves innovative development projects relating to land development, InvestHK will contact PICO to provide appropriate assistance to the enterprise concerned. Thus, there is a clear division of responsibilities between InvestHK and PICO in terms of service targets and services provided.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Wilson KWONG', written over a horizontal line.

(Wilson KWONG)

for Head, Task Force on Central Policy Unit Re-organisation

c.c. Secretary for Financial Services and the Treasury  
(Attn.: Ms Isabel CHENG)