

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

26 January 2018

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

Dear Mr CHIU,

**Establishment Subcommittee Meeting  
on 24 January 2018**

At the meeting of the Establishment Subcommittee meeting held on 24 January 2018, Members requested the Government to provide supplementary information to explain the results of the work of the Central Policy Unit (CPU) and the expected results of the work of the Policy Innovation and Co-ordination Office (PICO). Our response is as follows:

*Results of the work of the Central Policy Unit*

2. Since its establishment in 1989, the major function of the CPU has been providing independent and alternative advice to the Chief Executive (CE), the Chief Secretary for Administration (CS) and the Financial Secretary (FS) by examining specific policy issues. Policy research undertaken by the CPU covered social, political and economic spheres. The reports of these studies were submitted to the CE and the relevant departments for internal reference.
3. In addition to internal research, the CPU also commissioned outside academic or research institutions to conduct policy studies. Upon completion of the studies, the reports or their summaries will be published in CPU's website. During the five financial years from 2012-13 to 2016-17, the CPU commissioned a total of 23 studies.

4. The CPU has been administering the Public Policy Research (PPR) Funding Scheme since 2013-14 and the Strategic Public Policy Research (SPPR) Funding Scheme since 2016-17. Between 1 April 2013 and 25 January 2018, a total of 400 applications were received under the PPR Funding Scheme, and 124 applications were approved involving a total funding of \$66.27 million, with another 34 applications being processed as at 25 January 2018. For the SPPR Funding Scheme, a total of 65 applications were received between 1 April 2016 and 25 January 2018, with six applications approved involving a total funding of \$20.3 million as at 25 January 2018. The CPU will upload all research reports of projects funded by these schemes onto the CPU's website for public reference. As of 25 January 2018, 60 final reports have been uploaded onto the CPU's website. A Public Policy Digest booklet was also published in May 2017.

5. The CPU was also responsible for providing secretariat support to the Commission on Strategic Development (CSD) chaired by the CE. During the last term of Government, a total of 16 CSD meetings, one joint meeting with the Economic Development Commission and two focused discussion sessions were held. The topics discussed covered a wide range of areas, including youth development, planning and land development, Hong Kong's relationship with the Central Authorities/the Mainland, the National 13<sup>th</sup> Five-Year Plan, innovation and technology, the Belt and Road initiative, smart city, and cultural and creative industries.

6. From time to time, the CPU organises different kinds of conferences, seminars and workshops to facilitate exchange of views among the HKSAR Government, think tanks, academic and research institutions, business community and professional bodies. For example, the CPU and the National Academy of Economic Strategy of the Chinese Academy of Social Sciences jointly organise the International Forum on China's Economy and Policy every year. The event in 2017 was participated by about 300 experts, scholars and personnel from overseas institutions in Hong Kong as well as representatives from think tanks, the business sector, professional bodies and local and foreign chambers of commerce. Besides, the CPU has also co-operated with other academic and research institutions to host seminars on various subjects from time to time.

#### *Expected Results of the Work of the Policy Innovation and Co-ordination Office*

7. As set out in paragraph 5 of the paper number EC(2017-18)14, the key functions of PICO include -

- (a) providing secretariat support to the CE's Council of Advisers on Innovation and Strategic Development, including conducting policy research in support of the Council's steer, preparing papers to facilitate its deliberations and following up on its recommendations;
- (b) co-ordinating major cross-bureaux policies selected by the CE and the Secretaries of Departments to help achieve policy objectives;
- (c) providing 'first-stop and one-stop' consultation and co-ordination services for innovative development projects that would bring broader public benefits;
- (d) administering two public policy research funding schemes;
- (e) promoting evidence-based policy research and fostering a closer network with local and external academia and think tanks to encourage policy discussions; and
- (f) providing more opportunities for direct participation of young people in public policy formulation.

8. PICO will continue to carry out and improve certain existing functions formerly performed by the CPU, including functions (d) and (e). In conducting policy research and co-ordination work under functions (a) and (b), PICO will put more emphasis on evidence-based research and collaboration with various stakeholders both within and outside the Government. It 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.

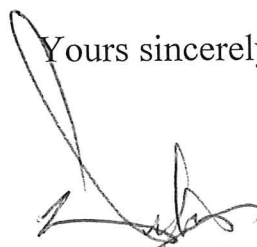
9. We will pay special attention to the need for early engagement of stakeholders and the general public in the process of policy formulation. When pursuing its policy research and co-ordination work, PICO will make suitable arrangements for engaging stakeholders and the public. This may take different forms from small group discussions with experts, focus groups, workshops to public meetings. It is hoped that this new approach can enhance the quality and practicality of the recommendations of the research, and hence their policy impact.

10. We are in the process of recruiting 20 to 30 Policy and Project Co-ordination Officers to work in PICO. They will be responsible for not only policy research, but also co-ordination of major cross-bureau policies and provision of “first-stop and one-stop” consultation and co-ordination services to innovative projects. Through these new members, we can better engage the relevant stakeholders and the public, in particular young people, at an early stage of policy formulation. We expect these posts in PICO will offer a unique opportunity and experience for people who are interested in pursuing a career in public policy research and policy and project co-ordination to take part in public policy formulation and co-ordination direct (i.e. function (c)).

11. By providing ‘first-stop and one-stop’ project consultation and co-ordination services to innovative development projects with broader economic and social merits (i.e. function (c)), PICO will act as a “facilitator” to maximise the benefits to society. Since there may not be an established approval mechanism for such innovative projects and that many different bureaux and departments may be involved, the co-ordination of PICO is needed to facilitate identification of innovative solutions and early implementation of these projects.

12. The public should be able to see the results of the work of PICO through the public engagement activities and more importantly development of innovative and practical solutions to complex and cross-bureaux policy problems and innovative project proposals in response to the needs of the community.

Yours sincerely,



(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)