Ms Anita SIT<br>Clerk to the Finance Committee， Legislative Council Secretariat， Legislative Council Complex， 1 Legislative Council Road， Central，Hong Kong

Dear Ms SIT，

## Re－organisation of the Central Policy Unit as a new Policy Innovation and Co－ordination Office

With reference to Hon CHU Hoi－dick＇s questions regarding the proposal FCR（2017－18）60－EC（2017－18）14 in his letter to the Chairman of the Finance Committee on 9 February 2018，our response is as follows：

## Disclosure of Documents of the Central Policy Unit

2．Hon Chu enquired about the disclosure of：（i）the full text of all policy research reports；（ii）documents relating to the preparatory meetings for the Policy Address；（iii）advice provided to the Government；（iv）documents of the Commission on Strategic Development（CSD）；and（v）analyses of public opinion by the Central Policy Unit（CPU）．

3．The CPU has been following the Government＇s established practices and adopted suitable disclosure arrangements commensurate with the nature of different types of documents．As regards item（i），all the research reports funded under the Public Policy Research Funding Scheme and the Strategic Public Policy Research Funding Scheme would be uploaded to the CPU＇s website．For consultancy studies commissioned by the CPU and carried out by academic or research institutes，we will make public the contents of these studies as far as possible，provided that such disclosure will not affect the proper and effective conduct of the research work．In this connection，either the full reports or the executive summaries of these consultancy studies have been
uploaded to the CPU's website. For item (iv), the meeting documents of the CSD were also uploaded to CPU's website. On the other hand, items (ii), (iii) and (v) are mainly internal advice, analyses or records of internal meetings, which are not suitable for disclosure to the public as it may inhibit the frankness and candour of discussions within the Government, and advice given to the Government.

## Disclosure of the Work of the Policy Innovation and Co-ordination Office

4. We wish to point out that the primary objective of the policy research and co-ordination work to be carried out by the Policy Innovation and Coordination Office (PICO) is to identify innovative solutions to complex and important cross-bureaux policy issues. Instead of producing final research reports, we would aim to turn PICO's research and co-ordination work into new policy initiatives or improvements to existing policies. Further, since PICO will emphasise evidence-based research and stakeholder engagement in developing innovative solutions for the policy issues and project proposals under its co-ordination, its research output will be reflected in the ideas, suggestions and options it has worked out for further exploration and deliberation with various stakeholders. The public will be able to observe PICO's operation through its public engagement activities and, more importantly, the development of innovative and practical solutions through its co-ordination to complex public policy problems and project proposals.
5. In line with the new style of governance of the Government, we will seek to enhance the transparency of the work of PICO. We plan to set out in greater detail the estimated expenditure and the major tasks of PICO in the Government's annual Estimates of Expenditure. In addition to answering written questions of Member of the Legislative Council, representatives of PICO will attend the Special Finance Committee Meetings of the Legislative Council to answer questions concerning its draft annual expenditure estimates.

## PICO and other Inter-departmental Working Groups

6. From time to time, the Government may set up different interdepartmental working groups at various levels to tackle specific issues. These working groups are usually formed on an ad hoc basis, with existing staff from the relevant bureaux and departments. We do not have information about the number of such working groups in operation at present. PICO will focus primarily on those policy issues selected by the Chief Executive and the Secretaries of Departments that reflect the priorities of the current term of Government. PICO will be given a clear mandate to lead the research and
policy co-ordination efforts on the selected policy issues in collaboration with relevant bureaux and departments, and under the direct steer from the most senior leadership in the Government, as such there should not be overlap of work with other inter-departmental working groups set up for specific purposes.

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