

The 2004 Policy Address
Policy Agenda

Introduction

This booklet describes the policy agenda of the Second Term Government of the Hong Kong Special Administrative Region (HKSAR) for the period from January 2004 to June 2007.

It contains policy initiatives designed under the five guiding principles of *Effective Governance*, *Vibrant Economy*, *Caring* and *Just Society*, *Enlightened People with a Rich Culture*, and *Environmentally Responsible Development* to take Hong Kong forward. They envision Hong Kong as one of the most important cities in China and a world city of Asia. They will build on its strengths and capitalise on its strategic location in the Pearl River Delta region and the opportunities brought by the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA).

In this vision, Hong Kong will continue to develop and strengthen its role as a world-class financial and trade centre providing high-value-added services. The city has played, and will continue to play, an irreplaceable role in China's economic modernisation; it will strengthen its role as a bridge between China and the world and continue to benefit from China's phenomenal economic success.

The character of a city is defined by its people. These policy initiatives envisage a city of well-educated, healthy, and increasingly affluent people enjoying a good quality of life, committed to their civic responsibilities, proud of their identity, and global in their outlook.

They conceive of a caring, just and inclusive society. They reckon that Hong Kong is rising to the challenges of its economic integration with the Mainland, its transformation from an industrial to a knowledge-based economy, and its sustainable and balanced development.

The second-term HKSAR Government will focus on the immediate goals of reviving the economy, restoring fiscal balance, and promoting effective governance.

We have thrived on and are determined to maintain the rule of law, particularly in the pursuit of government initiatives. We are committed to maintaining a small but responsive and responsible government and will continue to take forward our constitutional development in accordance with the relevant provisions of the Basic Law.

In realising the initiatives set out in the agenda, the HKSAR Government will count on the support of every citizen and will work in close partnership with the community.

The list is neither exhaustive nor final. It sets out the core programme of activities to be pursued in the next three and a half years. The policy initiatives will be refined from time to time in the light of changing circumstances, particularly the Government's priorities and financial position. Directors of Bureaux will separately account for the progress in implementing the policy initiatives published in last year's Policy Agenda booklet, including items which have been completed or dropped owing to changing priorities, through the Legislative Council. As for the new initiatives unveiled in this booklet, members of the public will be involved through consultation or participation in appropriate cases. The implementation of initiatives requiring additional funding will be, of course, subject to the approval of the Legislature.

We are always conscious that governments cannot be all things to all people. No honest government can ever claim to solve all life's problems in a single stroke. We are well aware that it is not the total number of initiatives that counts but the number that can be brought successfully to fruition.

The initiatives covered in this booklet are the ones we consider to be in line with our strategic goals, practical, and to the greatest benefit of Hong Kong.

Effective Governance

Preamble

We will work to provide a sound foundation through effective governance to maintain and further develop Hong Kong's position as a world city of Asia. We are determined to maintain the rule of law in Hong Kong and will continue to take forward our constitutional development in accordance with the Basic Law. We will restore our fiscal balance to foster an environment conducive to continued economic growth and success. We are committed to maintaining a small but responsive and accountable government, and a permanent, meritocratic, professional, politically neutral and clean civil service.

New Initiatives

We will:

- Implement measures to contain public expenditure in 2004-05 to 2008-09 to strive to achieve the target of restoring fiscal balance and keeping public expenditure to 20% of Gross Domestic Product (GDP) or below by 2008-09.
- Address the issue of constitutional development after 2007.
- Conduct a review on the roles, functions and composition of District Councils, and will consult the public in the process.
- Study the feasibility of integrating biometric information into the HKSAR passport for enhancing its security and facilitation standards, having regard to the specifications to be recommended by the International Civil Aviation Organisation.
- Study the feasibility of introducing a facial recognition system at control points to facilitate the verification of identity of suspect arrivals upon their entry.
- Put into effect, through legislation and other means, the revised Forty Recommendations of the Financial Action Task Force on Money Laundering to further enhance our anti-money laundering and counter-terrorist financing regime.
- Take forward the merging of the Civil Engineering Department and the Territory Development Department.
- Make wider use of alternative approaches such as Public-Private-Partnership in the delivery of large scale projects under the Public Works Programme.

- Further examine the issues involved in the existing system of advisory and statutory bodies, and explore practical ways to streamline its structure and enhance its functions.
- Examine a Code of Conduct for expert witnesses after consultation with the relevant bodies.
- Conduct studies on the ways in which prosecutors can take practical steps to avoid miscarriages of justice.
- Formulate methods to implement the recommendations of a committee formed to advise how prosecutors can improve the quality of service provided to victims of crime and witnesses.

Ongoing Initiatives

We are:

- Continuing to implement the asset sale and securitisation programme.
- Making practical arrangements to ensure that the 2004 Legislative Council elections are conducted in a fair, open and honest manner. We are also adopting measures to support political parties, political groups and independent candidates in these elections.
- Continuing to implement ‘One Country, Two Systems’ and to demonstrate its success.
- Introducing legislative amendments to enhance the capacity of law enforcement agencies to combat terrorism and transnational organised crimes.
- Continuing discussions with the Mainland and other jurisdictions on bilateral co-operation in criminal matters relating to Mutual Legal Assistance, Surrender of Fugitive Offenders, and Transfer of Sentenced Persons, and in reciprocal enforcement of judgments in civil matters.
- Acting on proposals to relieve prison over-crowding and improve prison management for both the short and long term.
- Issuing the Smart ID Card in phases starting from mid-2003 to enhance security, facilitate boundary crossing, and provide other value-added services.
- Providing a legal basis for the existing police complaints system by making the Independent Police Complaints Council a statutory body.
- Continuing to work on the implementation of Article 23 of the Basic Law.

- Developing an improved civil service pay adjustment mechanism by the second quarter of 2005 so that it will better respond to changes in the service needs of the community and the manpower situation in the market. The exercise will include the conduct of a pay level survey, improvement to the methodology of the annual pay trend survey and drafting of general enabling legislation to facilitate both upward and downward pay adjustments.
- Completing a comprehensive review of all civil service allowances by March 2004 to ensure that the continued payment of allowances is fully justified and compatible with present day circumstances.
- Facilitating the maintenance of a lean and efficient civil service and reduction of the civil service establishment to 160 000 by 2006-07 by providing the necessary staff management tools to assist bureaux/ departments to achieve staff savings.
- Continuing to provide civil servants with robust training and development opportunities. The Civil Service Training and Development Institute will be restructured to focus its resources on core areas. New elements will be introduced into our senior executive development programmes. We shall reinforce efforts to build a continuous learning culture in the civil service through various measures including the promotion of e-learning.
- Continuing to maintain and enhance the morale of the civil service through maintaining and where appropriate, improving the system of rewarding performance such as promotion and penalising under-performance or misconduct such as dismissal, and through wider consultation between management and staff at all levels.
- Encouraging greater utilisation of e-government services by engaging our customers and placing greater emphasis on the quality of services to be provided.
- Reviewing the arrangements for rural elections on the basis of the experience gained in 2003.

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- Implementing the existing gambling policy and regulating authorised gambling activities conducted by licensed operators.
 - Working closely with the Football Betting and Lotteries Commission to ensure proper regulation of authorised football betting and lotteries.
 - Promoting understanding of the rule of law in and outside Hong Kong and considering reforms to improve the legal system.
 - Enhancing the Bilingual Laws Information System to provide easy and ready access, through the Internet, to our bilingual Laws of Hong Kong.
 - Enhancing the efficiency and service quality of the Electrical and Mechanical Services Trading Fund by encouraging greater use of its investment in information technology, the installation of an Enterprise Resource Planning corporate computer system, setting up of e-portals for major clients, and establishing e-document management systems and procedures.
 - Targeting the Architectural Services Department to achieve the overall outsourcing to 65% for the delivery of new projects in the coming year under its re-engineering programme.
 - Implementing a Customer Care and Billing System for some 2.5 million customers of the Water Supplies Department to improve operational efficiency and customer service.
 - Achieving effective communication with the general public and the media by publicising on the web-site of the Water Supplies Department the updated information on the Water Mains Replacement and Rehabilitation projects.

Vibrant Economy

Preamble

The Government will play a limited but proactive role in the economy, focusing on maintaining a market-oriented and business-friendly environment. We will aim to attract and develop talents and to boost Hong Kong's role in the Pearl River Delta. We will promote sectors that generate higher value for our economy, including financial, logistics, professional, and producer services, as well as sectors like tourism and local community economy which provide more job opportunities for the people. While doing this, we will maintain our traditional institutional strengths including the rule of law, a level playing field, clean and efficient government, free flow of information, low and simple taxes and good order.

New Initiatives

We will:

- Review the existing cross-boundary vehicle quota system with a view to further facilitating vehicular movement across the boundary, in anticipation of the commissioning of the Hong Kong - Shenzhen Western Corridor in end 2005.
- Build a new bridge at the Sha Tau Kok crossing to increase capacity and improve traffic flow.
- Review, through the Transport Advisory Committee, the regulation of non-franchised buses.
- Consider measures to regulate traffic including fiscal and traffic management means with a view to reducing congestion along major transport corridors and to consult the community on the proposals.
- Implement a Mandatory Construction Workers Registration System.
- Firm up specific proposals to enhance oversight of auditors and quality of financial reporting, based on the outcome of the consultation in late 2003.
- Enable early admission of Hong Kong Dollar into the Continuous Linked Settlement (CLS) System.
- Ensure the successful launch of RMB deposits, remittances, money exchange and credit card business for individuals in Hong Kong.
- Promulgate in early 2004 an updated Digital 21 Strategy with the aim of sustaining the momentum in making Hong Kong a leading digital city.
- Formulate an updated regulatory policy for Type II Interconnection to facilitate competition and promote investment in telecommunications.

- Review the licensing of mobile services upon the expiry of existing licences for second generation mobile services.
- Require existing terrestrial television broadcasters to start planning for migration to digital broadcasting with a view to starting digital broadcasting in 2006.
- Consult the public on proposed updating and rationalisation of the broadcasting regulatory regime to facilitate convergence and digitisation.
- Set up a new co-operation framework with the Ministry of Science and Technology to facilitate applied R&D and innovation development.
- Work with the Guangdong Provincial Department of Science and Technology to further co-operation on innovation and technology under the newly established Expert Group on Co-operation in Innovation and Technology under the Hong Kong - Guangdong Joint Co-operation Conference.
- Work with the World Trade Organisation to ensure the successful hosting of the Sixth Session of the Ministerial Conference in Hong Kong around 2005.
- Oversee socio-legal research to be conducted by a consultant into the supply of, and demand for, legal services in the community.
- Facilitate further discussions with Mainland authorities on legal services co-operation under CEPA; and sign legal services agreements with individual Mainland provinces/cities with a view to assisting Hong Kong lawyers in gaining business opportunities under the framework, and ensuring smooth operation, of CEPA.
- Contribute to the development of a legal services information web-site.
- Introduce a Bill to provide the legal instrument for (partial) privatisation of the Airport Authority.

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- Evaluate the findings of the Hong Kong Port - Master Plan 2020 Study to enhance the competitiveness of and devise the long-term development plan for Hong Kong port.
 - Evaluate the findings of the Mainland - Hong Kong Logistics Co-operation Study and, in consultation with the industry and the authorities in the Pearl River Delta region, identify initiatives for implementation to reap maximum benefits from the logistics-related provisions under CEPA.
 - Review the programme for the development of a tourism node, a modern cruise terminal and heliport at Southeast Kowloon (SEK) in the light of the court judgment on reclamation in the Victoria Harbour. Meanwhile, we will identify additional berthing or temporary capacity to meet the needs of the market pending completion of the long term facilities at SEK.
 - Consider options for the future development of the electricity supply sector after the expiry of the current Scheme of Control Agreements in 2008.
 - Extend the Youth Work Experience and Training Scheme for two years to place about 10 000 young people aged 15 to 24 in employment.
 - Launch a one-year pilot scheme to train and assist 1 000 young people aged 18 to 24 to become self-employed.
 - Extend some of the temporary jobs in the public sector to meet operational needs.
 - Continue to co-ordinate the timetable for the disposal of railway-property developments to ensure that there would not be adverse impact on the property market.
 - Monitor housing supply and compile comprehensive housing supply statistics.
 - Provide assistance as necessary to enable the Housing Authority to divest through public listing its retail and car-parking facilities.

- Take steps to facilitate private sector participation in the solemnisation of marriages and to provide greater flexibility and convenience to members of the public.

Ongoing Initiatives

We are:

- Continuing to work closely with the Mainland authorities at both the central, provincial and municipal levels to ensure the smooth and effective implementation of CEPA; promoting greater understanding of the opportunities under CEPA and making use of the standing consultation mechanism of CEPA to discuss with the Mainland authorities to seek further trade liberalisation and additional market access opportunities for Hong Kong goods and services in the next phase of CEPA discussion.
- Assisting in the building up of Hong Kong as a regional centre for legal services and dispute resolution.
- Together with the Pearl River Delta municipalities, attracting more overseas enterprises to invest in Hong Kong.
- Pursuing the Hong Kong - Zhuhai - Macao Bridge as a priority project. A Co-ordination Group consisting of representatives from the Guangdong, Macao and Hong Kong governments has been set up to undertake preparatory works for the construction of the Bridge.
- Implementing the project to build a new bridge to connect Lok Ma Chau and Huanggang to increase capacity and enhance traffic management.
- Discussing with the Mainland authorities on the best way to proceed with the proposed express rail link connecting Hong Kong, Shenzhen and Guangzhou upon finalisation of the relevant feasibility study.
- Deciding on the study findings of the merging of the MTR Corporation Limited and the Kowloon - Canton Railway Corporation.
- Developing a new exhibition centre at Chek Lap Kok jointly with the Airport Authority and a private sector consortium.

- Promoting Science Park and Cyberport more aggressively overseas through Invest Hong Kong, Economic and Trade Offices, Hong Kong Trade Development Council and specially commissioned agents.
- Furthering the development of the Hong Kong Jockey Club Institute of Chinese Medicine as a centre of excellence in pioneering science and evidence-based Chinese medicine.
- Encouraging departments to cut red tape, remove outdated or unnecessary regulations, and improve services to the business community. We will enhance our discussion with relevant stakeholders in the community through the setting up of a high-level task force.
- Pursuing the enactment of the Copyright (Amendment) Bill 2003 to provide a long term solution for the suspension arrangements, and preparing legislative amendments to extend the exemptions or relax certain provisions in the Copyright Ordinance.
- Pursuing initiatives of the Steering Committee on the Development of Fashion Industry with a view to enhancing Hong Kong's status as a fashion hub of the Asia-Pacific region, and to promote innovation and design in industry and strengthen the design industry in this process.
- Pursuing a series of measures to facilitate the movement of people and goods across the boundary including the establishment of a new boundary control point on the Hong Kong - Shenzhen Western Corridor and installation of automated passenger, vehicle and cargo clearance systems.
- Continuing to provide assistance to small and medium enterprises (SMEs) through the four SME funding schemes.
- Continuing to provide loan guarantee for films under the Film Guarantee Fund.

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- Consulting the logistics sector on the broad planning parameters for the development of the Value Added Logistics Park on North Lantau.
 - Taking steps to develop the Digital Trade and Transportation Network (DTTN) System for launching in 2005.
 - Taking steps to convert the Central Police Station, Victoria Prison and former Magistracy into a heritage tourism development. We are making arrangements to invite private sector proposals in 2004.
 - Assisting the Airport Authority to expand intermodal connections such as transit passenger ferry service between the Hong Kong International Airport and the Pearl River Delta region.
 - Monitoring the implementation of the heritage tourism project at the site of the former Marine Police Headquarters in Tsim Sha Tsui for completion by 2008.
 - Implementing measures to help place the middle-aged unemployed in jobs.
 - Strengthening tripartite cooperation among the Government, employers and employees to maintain harmonious labour relations and help resolve employment issues.
 - Stepping up enforcement action and publicity to combat illegal employment.
 - Stepping up enforcement action against wage offences.
 - Continuing with the Youth Pre-employment Training Programme for young people aged 15 to 19.
 - Providing a platform for the sports sector to engage business partners in organising international sports events.

- Actively pursuing with the planning and implementation of various railways with careful consideration on changing needs and control of costs, including detailed design of the Kowloon Southern Link and Shatin to Central Link; constructing the Hong Kong - Shenzhen Western Corridor/Deep Bay Link for completion by end 2005; assessing the viability of the West Hong Kong Island Line and the South Hong Kong Island Line; monitoring the progress of the Tai Wai to Ma On Shan Rail Link and KCR Extension to Tsim Sha Tsui for timely commissioning.
- Re-engineering the methodology for the planning and implementation of infrastructural projects with a view to improving efficiency and cost effectiveness.
- Moving ahead with the initiatives under the Corporate Governance Action Plan, including the introduction of measures to improve the regulation of listing matters, such as giving statutory backing to important listing requirements in light of the outcome of the consultation launched in October 2003.
- Continuing our efforts in promoting bond market and fund business development.
- Taking forward investor protection initiatives, such as Deposit Protection Scheme, Mandatory Provident Fund Schemes Authority's Disclosure Project, and consultation on the establishment of the Insurance Policyholders Protection Fund.
- Further facilitating the development of creative industries, pursuant to consultation with local creative industries and organisation of various activities to arouse public interest.
- Organising various types of local community economy projects in collaboration with District Councils and local bodies.
- Relaxing statutory restrictions on security of tenure with a view to resuming the free operation of the private rental market.

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- Promoting a title registration system to give greater security to interests in land and property and simplify conveyancing.
 - Exploring various options for disposal of the Housing Authority's surplus Home Ownership Scheme blocks.
 - Exploring further opportunities for outsourcing the Housing Authority's services.

Caring and Just Society

Preamble

Our vision for a Caring and Just Society celebrates the rich diversity of our community, recognising that each individual is endowed with different strengths. We aim to create an environment in which all people get every opportunity to develop their potential. Warm, supportive and stable families are what count most in nurturing the healthy development of individuals. We will strengthen family solidarity and foster mutual care and support in the community, so that all individuals are embedded in a network of care, trust, support and reciprocity. We will introduce health, social and housing policies and initiatives that enable individuals to enhance their community involvement. We will also ensure that there is a safety net so that those in need will also participate in economic and social life with dignity and self-reliance.

New Initiatives

We will:

- Enhance our preparedness against the outbreak of infectious diseases by various measures, in particular the following —
 - development of a major infectious disease outbreak control plan;
 - development of regular data reporting systems and collaboration on controlling infectious diseases within the Pearl River Delta region;
 - building up hospital surge capacity by providing additional isolation facilities in designated acute hospitals and by establishing infectious disease centres in acute hospitals;
 - engaging all sectors of the community in infectious disease prevention and surveillance by co-ordinating preventive work across all sectors, paying special attention to vulnerable populations and involving the community in health promotion activities and health campaigns.
- Conduct research relating to infectious diseases such as diagnostic techniques for Severe Acute Respiratory Syndrome (SARS) and clinical management of SARS and providing more public health training to healthcare workers.
- Enhance Hong Kong's capacity to prevent and control communicable disease outbreak by setting up a Centre for Health Protection.
- Strengthen the community mode of health care delivery with emphasis on quality and cost-effectiveness and to reduce the reliance on hospital care.
- Regularise the wholesaling of live fish by implementing a permit scheme for wholesale fish stalls.

- Introduce a closed season for fishing and fisheries protection areas to conserve local fisheries resources.
- Review the regulatory framework for animals, birds and fish for the purpose of enhancing public health and food safety.
- Evaluate the implementation of the concept of ‘from feed to table’ to ensure food safety.
- Oversee the operation of the Trust Fund for SARS.
- Engage the third sector in the deliberation of their roles in social investment.
- Launch the Capacity Building Mileage Programme to encourage and facilitate women to pursue continuous learning.
- Proceed to issue a consultation paper on the proposed legislation against racial discrimination.
- Implement the improvement measures for the Pre-Sale Consent Scheme.
- Consider how best to speed up the processing of application for small houses.

Ongoing Initiatives

We are:

- Enhancing our network at the district level, which has proved invaluable in combating SARS and implementing Team Clean initiatives.
- Providing continual researches, preventive education, remedial counselling and treatment services for addressing gambling-related problems.
- Implementing an effective and sustainable safety net, particularly through the Comprehensive Social Security Assistance Scheme, to assist the financially vulnerable.
- Further facilitating child adoption through amendments to the Adoption Ordinance and giving effect to the Hague Convention on Protection of Children and Co-operation in respect of Intercountry Adoption.
- Developing a fee assistance scheme to allow the elderly to have more choices and flexibility in using residential care services.
- Developing a multi-pronged strategy to minimise the risk of avian influenza outbreaks.
- Regulating and developing Chinese medicine and introducing Chinese medicine into the public health care system.
- Working to ensure that the public enjoy a smokeless environment in work and other public places through amendments to the Smoking (Public Health) Ordinance.
- Protecting the public from misleading or untruthful health claims through amendments to the Undesirable Medical Advertisement Ordinance.

- Safeguarding the health and safety of the public by developing a regulatory framework on the supply and use of medical devices.
- Improving overall food safety and control on agricultural and fisheries operations that have an impact on public health or the environment.
- Operating the \$300 million Community Investment and Inclusion Fund to encourage mutual concern and aid, and encourage community participation.
- Developing a new service delivery model to integrate family welfare services and community-based services to provide a continuum of preventive, supportive and remedial services.
- Promoting active and healthy ageing.
- Conducting studies with a view to developing a sustainable financial support system that better targets resources at elders most in need.
- Improving accessibility for people with disabilities by enhancing guidelines for barrier free access.
- Creating an enabling environment to develop women's full potential and to build up their capability to face life's challenges and participate fully in all aspects of community life.
- Enhancing primary medical care for the public through developing a pluralistic primary care model in the public health sector.
- Working out a sustainable long-term funding arrangement for the Hospital Authority to ensure the provision of quality public health care services.
- Reviewing the mechanism for the determination of domestic rents for public housing.

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- Maintaining supply of public rental housing for needy applicants with an average waiting time of around three years.
 - Reviewing the operating environment of public transport and developing a more rational process for fare adjustment.

Enlightened People with a Rich Culture

Preamble

The Government will enrich Hong Kong's quality of life through a variety of policies and programmes, among which education ranks the highest. As Asia's world city, we will create an environment which fosters innovative thinking, mutual respect and team spirit, and we hope citizens can cultivate their artistic interests and personal tastes for their spiritual enhancement and cultural enrichment. We expect our society to be one which encourages self-initiative, entrepreneurship and aspirations, while valuing creativity and diversity.

New Initiatives

We will:

- Establish a Sports Commission and reconstitute the Hong Kong Sports Institute, with a view to pursuing the new vision for sports development in Hong Kong. A new Sports Funding Office will also be set up under the Leisure and Cultural Services Department to provide one-stop service for National Sports Associations.
- Launch a public consultation exercise to seek the views of the public on the policy of heritage conservation in Hong Kong and review the policy in the light of the views received.
- Invite interested parties to participate in two Private Sector Finance (PSF) projects on leisure and cultural facilities in Kwun Tong and Tseung Kwan O in mid-2004. We will also identify other suitable projects which could be developed with PSF.
- Plan the development of a stadium complex and sports facilities in South East Kowloon.
- Work closely with the sports sector and involve the community in planning for hosting the Fifth East Asian Games in Hong Kong in 2009.
- Consider the best option to strengthen tertiary visual arts training in Hong Kong.
- Consult the community on the three-year academic structure for senior secondary education and four-year undergraduate programmes recommended by the Education Commission, including the conditions, financing, and development of supporting measures.

- Establish a statutory Standing Committee on Legal Education and Training to take over the work of the Steering Committee on Legal Education and Training and the Advisory Committee on Legal Education.

Ongoing Initiatives

We are:

- Improving language education and the language proficiency of our people, i.e. biliterate in written Chinese and English and trilingual in Cantonese, Putonghua and spoken English through a package of measures recommended by the Standing Committee on Language Education and Research.
- Rationalising and simplifying the teaching grade structure of public sector schools.
- Continuing with our comprehensive programme of education reforms to help promote students' balanced, all-round development and enhance learning and teaching effectiveness through reforming the curricula, teaching methods and assessment mechanism.
- Planning with schools still operating in bi-sessional mode to work towards enabling all primary school students to study in whole day schools.
- Conducting parallel reviews of the Medium of Instruction Policy and the Secondary School Places Allocation System.
- Implementing the University Grants Committee's recommendations of the Higher Education Review.
- Setting up a qualifications framework and the associated quality assurance mechanism.
- Continuing to oversee and promote reforms in legal education including conversion of the local Bachelor of Laws course from three to four years and incremental changes to the Postgraduate Certificate in Laws.

- Developing a cultural, arts, sports and youth network in the Pearl River Delta.
- Facilitating the promotion of major arts and cultural events and festivals in Hong Kong, highlighting our status as an international city.
- Improving the governance and operation of cultural services in Hong Kong, including libraries, museums and performance facilities; and encouraging stronger involvement of the cultural sector and the community in the process.
- Continuing consultation on measures to provide temporary protection to the most meritorious historical buildings, and to assess the heritage value of selected historical buildings.
- Enhancing the work on the promotion of youth development in conjunction with the Commission on Youth, particularly on civic and social participation of youth.
- Enhancing the work on the promotion of civic education outside schools in conjunction with the Committee on Promotion of Civic Education, particularly on measures targeting young adults and the working population.
- Enhancing the work on the promotion of racial harmony.
- Formulating a comprehensive development package for the integrated arts, cultural and entertainment district in West Kowloon.

Environmentally Responsible Development

Preamble

Environmentally responsible development is about the delivery of a better quality of life for every one of our citizens, for now and for generations to come. We must tackle immediate problems —air pollution from power plants and vehicle emission, and water pollution in the harbour —with renewed vigour and determination. We owe it to future generations to act now and preserve the environment through the promulgation of sound policies on nature conservation, waste reduction and recycling, total water management and greening as well as the implementation of effective programmes. The community, the business sector and the Government are stakeholders as much as they are partners in the protection and improvement of our environment. It is incumbent upon all parties to take up this responsibility to collaborate fully, working together with commitment to Hong Kong —a place where we and our children build our sustainable home.

New Initiatives

We will:

- Encourage the power companies to undertake pilot production-scale wind energy projects for public demonstration and evaluation purposes and continue to promote the wider application of renewable energy.
- Consult the public on the viable technology(ies) to be adopted with a view to developing state-of-the-art, cost-effective and environmentally friendly large-scale waste treatment facility(ies) in Hong Kong.
- Ensure that our planning and land use objectives are geared towards our mission to protect the Victoria Harbour and enhance it for the enjoyment of our residents and visitors alike. Apart from Central, Wan Chai North and South East Kowloon, the Government will not undertake any further reclamation in the Harbour. Our policy will be reflected in relevant town plans.
- Review the development intensity in public housing projects to enhance the living environment and cost-effectiveness within permitted plot ratio.
- Introduce a Bill to amend the Building Management Ordinance to improve certain provisions in the legislation for the benefit of owners' corporations and property owners.
- Studying various options and promoting discussion on how to speed up the urban renewal process.

Ongoing Initiatives

We are:

- Working towards the implementation of the Regional Air Quality Management Plan with the Guangdong Provincial Government including the introduction of a pilot emissions trading scheme among power plants in Hong Kong and Guangdong to optimise the use of resources in the reduction of emissions in the same air shed to improve air quality in the Pearl River Delta region.
- Continuing to implement the polluter pays principle and plan for the introduction of a disposal charging scheme for construction and demolition waste in 2004. This is expected to provide economic incentives for waste producers to reduce such waste and carry out sorting to facilitate reuse/recycling.
- Implementing the pilot scheme to test out the economics and logistics of wet-and-dry garbage sorting. Upon completion of the pilot scheme in the first quarter of 2004, we will review the viability and cost-effectiveness of this form of waste recovery, and will decide on the way forward.
- Drawing up a more comprehensive nature conservation policy and a proposed implementation programme by taking into account the comments received during the three-month public consultation exercise which ended in mid-October 2003 with the goal of better achieving the nature conservation objective, in particular enhancing conservation of ecologically important habitats on private land.
- Implementing incentive schemes to encourage replacement of diesel light buses with LPG or electric light buses.

- Implementing the programme to retrofit pre-Euro heavy diesel vehicles with catalysts through provision of financial assistance and introducing legislation to make the installation mandatory upon completion of the retrofit programme.
- Promoting the use of environmentally friendly buses by adding a provision in new bus franchises on the adoption of the latest commercially available environmentally friendly technology for acquiring new buses, encouraging bus companies to deploy cleaner vehicles along busy corridors and including the provision of environmentally friendly measures as appropriate as a criterion in selecting operator for new bus route packages.
- Exploring opportunities to reuse inert construction and demolition materials outside Hong Kong. We will continue our collaboration with the construction industry and relevant authorities on the identification of land formation projects in the Mainland to reuse our inert materials.
- Striving to reduce by 2010 the emission of four major air pollutants in the region by such levels as will enable Hong Kong to achieve the current air quality objectives.
- Consulting the public on the way forward for the remaining stages of the Harbour Area Treatment Scheme in the light of the findings of the trials and studies on the options recommended by the International Review Panel.
- Implementing the Total Water Management programme in which water conservation and water resource protection are enhanced through education and promotion, while examining technologies for recycling and desalination through pilot schemes.
- Encouraging the use of recycled construction and demolition materials in public works projects.
- Promoting the integration of sustainability in the Government and the community.

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- Implementing a comprehensive greening policy for Hong Kong through the collaboration of different departments and with the input of experts and specialists in the field, and aiming to develop a sustainable greening programme for the urban areas. We have set up a high level Steering Committee on Greening and will complete the planting of 15 million trees, shrubs and annuals in 2003/04. We aim to plant another 10 million in 2004/05. We are also rolling out a community garden programme to enlist community participation in greening activities at neighbourhood level and organising various greening and horticulture activities in the 18 districts to promote public support of a green environment.
 - Implementing the flood prevention programme. We have completed 23 major flood prevention projects since 1997 and another 14 are on-going. Furthermore, another 24 projects are under various stages of planning and design. We will have substantially minimised the risk of regional flooding in the northern New Territories by 2006 upon completion of Regulation of Shenzhen River Stage III and Drainage Rehabilitation Works at Ping Yuen River.
 - Continuing with the Landslip Prevention Programme which has greatly improved slope safety. We will upgrade 250 substandard government slopes and conduct safety-screening for 300 private slopes in the coming year.
 - Developing a land use, transport and environment strategy under the Hong Kong 2030 study to guide the long-term development of Hong Kong.
 - Enhancing building management and maintenance of private housing through education, publicity, and greater participation of professional bodies and the private sector, and initiating discussions on ways to provide one-stop service to owners of private buildings.
 - Improving the legislative framework for building control and building safety.

- Streamlining the town planning process under the Town Planning Ordinance and enhancing openness of the planning system.
- Consulting various stakeholders with a view to making preliminary proposals on small house policy for more in-depth discussion.