

MESSAGE

We are fully committed to the full and faithful implementation of the Basic Law and the principle of “One Country, Two Systems” which is enshrined in the Basic Law. This is crucial to the long-term development and interests of the Hong Kong Special Administrative Region. To this end, we will, as necessary, advise other bureaux and departments to ensure that the policies they formulate and their implementation are consistent with the relevant provisions of the Basic Law. We will also assist other bureaux and departments to develop broader and closer working relationships with their Mainland counterparts.

Developing democratic institutions in accordance with the framework set out in the Basic Law remains an on-going commitment of the Constitutional Affairs Bureau. Our immediate task is to make a success of this year’s District Councils election and the Legislative Council election in 2000. We will also work to ensure that the reorganisation of the delivery of municipal services will be completed as scheduled.

I have much pleasure in presenting this Policy Objective booklet, which sets out the key initiatives of my Bureau and our commitments in these areas. My colleagues and I will do our best to achieve the targets set out in this booklet, and to contribute to Hong Kong’s continued stability and prosperity into the next millennium.

We welcome your views on this booklet and suggestions for further improvement.

A handwritten signature in black ink, consisting of several loops and a final horizontal stroke, positioned above the name and title.

(Michael M.Y. Suen)
Secretary for Constitutional Affairs

CONFIDENCE IN THE CONSTITUTIONAL ARRANGEMENTS

Our Policy Objective is to maintain confidence in the constitutional arrangements of the Hong Kong Special Administrative Region (HKSAR).

Our targets this year in pursuing this Policy Objective are –

- to secure community confidence in the principle of “One Country, Two Systems” and the full and faithful implementation of the Basic Law
- to maintain a cordial and constructive working relationship with the Central People’s Government (CPG) and other Mainland authorities, consistent with the relevant provisions of the Basic Law
- to hold the first District Councils election in November 1999
- to hold the second Legislative Council (LegCo) election in 2000
- to ensure that the electoral arrangements are open, fair, honest, acceptable to the community and comply fully with the Basic Law
- to implement necessary changes to the structure and functions of district organisations by the end of 1999

We will also continue to work on other aspects of the five Key Result Areas as detailed in the following sections.

Progress Made

In the past 12 months, we have facilitated and advised colleagues in other bureaux and departments of the HKSAR Government on the implementation of the Basic Law in their respective areas of work, in managing our relationship with the CPG and other Mainland authorities in accordance with the Basic Law, and in enhancing the mutual understanding between HKSAR officials and their Mainland counterparts through visits and exchanges. We have also facilitated the promotion of the understanding of the Basic Law by providing secretariat support to the Basic Law Promotion Steering Committee.

On matters relating to the conduct of HKSAR’s external affairs, we remain the focal point of contact between the HKSAR Government and the Office of the Commissioner of the Ministry of Foreign Affairs in the HKSAR (MFA Office), and have continued to facilitate the active participation of the HKSAR in the international arena in accordance with the Basic Law.

On the electoral front, the LegCo enacted the District Councils Ordinance in March 1999. This Ordinance provides for the establishment of 18 District Councils. The first District Councils election will be held on 28 November 1999. We are making suitable practical arrangements to encourage registered voters to take part in the election. In July 1999, the LegCo also enacted the Legislative Council (Amendment) Ordinance 1999 to provide the legal basis for the election to the second-term LegCo in 2000 in accordance with the Basic Law. We plan to conduct a major voter registration exercise in early 2000 to encourage as many eligible persons as possible to register as voters.

The Provision of Municipal Services (Reorganisation) Bill, which proposes to transfer all existing rights, liabilities and functions of the Provisional Municipal Councils to the Government or other statutory bodies after the terms of the existing Councillors expire on 31 December 1999, is being examined by a Bills Committee. We have set up a Task Force to take forward the establishment of the new structure for the delivery of municipal services by 1 January 2000.

KEY RESULT AREAS (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

| | | |
|----------|--|----------------|
| 1 | Ensure the full implementation of the Basic Law and promote understanding of the Basic Law | Page 4 |
| 2 | Ensure that the existing and new channels of communication and co-operation with the Mainland authorities function smoothly and effectively | Page 8 |
| 3 | Facilitate the HKSAR’s continued and active participation in the international arena | Page 11 |
| 4 | Ensure continual development of the electoral systems | Page 15 |
| 5 | Implement necessary changes to the structure and functions of district organisations | Page 19 |

1

Ensure the full implementation of the Basic Law and promote understanding of the Basic Law

The Basic Law provides guarantees in accordance with the principles of “One Country, Two Systems”, “a high degree of autonomy” and “Hong Kong people running Hong Kong”. The HKSAR Government has the responsibility to ensure the full and faithful implementation of the Basic Law. The Constitutional Affairs Bureau (CAB) facilitates and advises colleagues in other bureaux and departments of the HKSAR Government on the implementation of the Basic Law in their respective areas of work.

The Basic Law is our constitutional document. It is important for the community to be well-informed about its provisions and appreciate its significance for Hong Kong as a highly autonomous special administrative region of the People’s Republic of China. CAB facilitates the promotion of the Basic Law by providing secretariat support to the Basic Law Promotion Steering Committee.

Progress Made

We have provided sound, consistent and practical advice to colleagues in other bureaux and departments of the HKSAR Government on the implementation of the Basic Law in their respective areas of work. We have also facilitated the promotion of the Basic Law by providing effective secretariat support to the Basic Law Promotion Steering Committee and effectively co-ordinating the implementation of the action plans endorsed by the Committee. The setting up of a Basic Law Resource Centre and the launching of the Basic Law Homepage have helped to provide a central collection of materials relating to the Basic Law which are accessible by the general public.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

| Initiative * | Target # | Present Position + |
|---|---|--|
| <p>To facilitate and advise bureaux and departments on the full and faithful implementation of the Joint Declaration and the Basic Law including –</p> <ul style="list-style-type: none"> ● the requirements and arrangements for reporting to the CPG (e.g. laws enacted, budget documents, etc.) ● the application of national laws to the HKSAR in accordance with the Basic Law ● matters relating to the CPG/HKSAR Government relationship in respect of the Adaptation of Laws <p><i>(Constitutional Affairs Bureau (CAB))</i></p> | <ul style="list-style-type: none"> ● To provide advice which is consistent with the relevant provisions of the Basic Law <i>(1998 and 1997)</i> ● To co-ordinate and consolidate the HKSAR Government's views on any proposed amendments to the list of national laws in Annex III of the Basic Law <i>(1998 and 1997)</i> ● To assume a co-ordinating role and reflect the views of relevant policy bureaux and departments relating to the requirements in the Basic Law for consultation between the CPG and the HKSAR Government <i>(1997)</i> | <p>We have provided sound, consistent and practical advice to other bureaux and departments on the implementation of the Basic Law in their respective areas of work. The areas involved include the new constitutional order provided in the Basic Law, the application of national laws to the HKSAR and the various Basic Law requirements relating to the CPG/HKSAR Government relationship.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

* the bracketed information denotes the agency with lead responsibility for the initiative

the bracketed information denotes the year in which the target was set

+ the bracketed information denotes the status of the target

| Initiative | Target | Present Position |
|---|---|---|
| <p>To facilitate the promotion of public knowledge and understanding of the Basic Law by providing secretariat support to the Basic Law Promotion Steering Committee and co-ordinating the implementation of the action plans endorsed by the Committee</p> <p><i>(CAB)</i></p> | <p>To provide quality secretariat support to the Committee, and co-ordinate promotional activities organised by bureaux and departments</p> <p><i>(1998 and 1997)</i></p> | <p>We have provided effective secretariat support to the Committee and effective co-ordination in the implementation of the action plans endorsed by the Committee. We have established a Basic Law Resource Centre and launched a Homepage on the Basic Law which includes a chat forum for the general public to express their views or ask questions relating to the Basic Law.</p> <p><i>(Action in Progress: On Schedule)</i></p> |
| <p>To co-ordinate HKSAR Government's input as necessary into the Sino-British Joint Liaison Group (JLG)</p> <p><i>(CAB)</i></p> | <p>To provide accurate and up-to-date information in a timely manner to the Chinese JLG Office as necessary to prepare for meetings until 1 January 2000</p> <p><i>(1998)</i></p> | <p>We have effectively co-ordinated HKSAR Government's input as necessary to the Chinese JLG Office, and will continue to do so until 1 January 2000.</p> <p><i>(Action in Progress: On Schedule)</i></p> |
| <p>To facilitate HKSAR's discussions with the relevant Mainland authorities on the establishment of juridical assistance (in criminal, civil and commercial matters) in accordance with the Basic Law</p> <p><i>(CAB)</i></p> | <ul style="list-style-type: none"> ● To provide advice which is consistent with the relevant provisions of the Basic Law <i>(1998 and 1997)</i> ● To facilitate in 1998-1999 the conduct of discussions with the Mainland authorities to establish arrangements for mutual juridical assistance such as service of judicial documents <i>(1998)</i> | <ul style="list-style-type: none"> ● We have provided sound advice which is consistent with the relevant provisions of the Basic Law. ● The HKSAR Government reached an agreement with the Mainland authorities in June 1999 on an arrangement for the reciprocal service of judicial documents in civil and commercial matters. Discussions with the Mainland authorities on arrangements for the rendition of fugitive offenders between the HKSAR and the Mainland have started. <p><i>(Action in Progress: On Schedule)</i></p> |

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|---|---|
| The soundness, consistency and practicability of advice provided | To provide sound advice to bureaux and departments so as to help ensure the full implementation of the Basic Law |
| The effectiveness of support provided to the Basic Law Promotion Steering Committee (BLPSC) and the co-ordination of implementation of the action plans endorsed by the Committee | To effectively co-ordinate the implementation of plans to commemorate the 10th anniversary of the promulgation of the Basic Law and to continue to provide quality secretariat support to the BLPSC |

2

Ensure that the existing and new channels of communication and co-operation with the Mainland authorities function smoothly and effectively

Bureaux and departments have established extensive working contacts with their Mainland counterparts on various fronts. Our working relationship with the CPG and other Mainland authorities has further developed after reunification. CAB will continue to advise bureaux and departments on matters concerning the working relationship between the CPG and the HKSAR Government to ensure that these established channels function smoothly and effectively.

With the assistance and support of the Hong Kong and Macao Affairs Office (HKMAO) of the State Council, we will continue to assist bureaux and departments to establish new channels of communication and develop an effective working relationship with the relevant Mainland authorities, including those at the provincial and municipal levels. We will further strengthen official visit programmes to and from the Mainland through the HKMAO to enhance mutual understanding between the HKSAR Government and the Mainland authorities.

In March 1999, we established an HKSAR Government Office in Beijing. This Office helps to ensure that the HKSAR Government and the CPG are apprised of the latest economic, social and other developments in the Mainland and HKSAR respectively. It also provides an additional channel for liaison and communication between the HKSAR Government and the CPG.

Given our geographical proximity to the Guangdong Province, we have been paying special attention to ensure the continued development of a close and effective working relationship with the Guangdong Provincial People's Government. CAB acts as the HKSAR Government's overall co-ordinator for the Cross-Boundary Liaison System and the Hong Kong/Guangdong Co-operation Joint Conference. We will continue to make use of the Cross-Boundary Liaison System to resolve day-to-day operational issues affecting both sides of the boundary. The Hong Kong/Guangdong Co-operation Joint Conference, established in March 1998, will identify new areas of co-operation between the HKSAR Government and the Guangdong Provincial People's Government, with a view to further strengthening ties.

Progress Made

We have made significant progress in the past 12 months. The Beijing Office of the HKSAR Government was set up in March 1999 and is now operating smoothly in accordance with the principle of "One Country, Two Systems". We have been maintaining a cordial and constructive working relationship with the HKMAO on matters relating to contacts between the HKSAR Government and the Mainland authorities. The existing and new channels of communication and co-operation with other Mainland authorities have continued to function smoothly and effectively. Bureaux and departments have further enhanced mutual

understanding with their Mainland counterparts through visits and various exchange programmes.

By acting as the overall co-ordinator within the HKSAR Government, we have made useful contributions to the work of the Hong Kong/Guangdong Co-operation Joint Conference and helped foster and enhance co-operation with the Guangdong Province. The Cross-Boundary Liaison System has remained an effective channel for resolving day-to-day cross-boundary problems. At the 19th Annual Boundary Liaison Review Meeting held in May 1999, the Hong Kong and Guangdong sides reaffirmed their commitment to co-operate with each other in such areas as ensuring the smooth and efficient flow of vehicles and passengers across the boundary and the fight against cross-boundary crimes.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

| Initiative | Target | Present Position |
|--|--|--|
| <p>To set up an HKSAR Government Office in Beijing</p> <p><i>(Constitutional Affairs Bureau (CAB))</i></p> | <p>To set up the Office within the first quarter of 1999</p> <p><i>(1998)</i></p> | <p>We established the Beijing Office of the HKSAR Government in March 1999.</p> <p><i>(Action Completed)</i></p> |
| <p>To advise bureaux and departments on developing and maintaining an effective working relationship with their Mainland counterparts, by –</p> <ul style="list-style-type: none"> ● advising on the proper handling of official contacts with the Mainland authorities, and as necessary assisting in making such contacts ● encouraging bureaux and departments to visit the Mainland or to organise visits to the HKSAR by Mainland officials, and advise them on the arrangements relating to the visits <p><i>(CAB)</i></p> | <ul style="list-style-type: none"> ● To provide advice which is consistent with the relevant provisions of the Basic Law and the “One Country, Two Systems” principle ● To encourage as appropriate direct contacts between HKSAR Government officials and their Mainland counterparts ● To encourage as appropriate official visits by HKSAR Government officials to the Mainland <p><i>(1998)</i></p> | <p>We have continued to advise bureaux and departments in accordance with the Basic Law and the “One Country, Two Systems” principle, and have updated them on the latest arrangements on how to handle official contacts with the Mainland authorities. As appropriate, we have also facilitated direct contacts between HKSAR Government officials and their Mainland counterparts, and assisted in making the necessary arrangements for official visits to the Mainland.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

| Initiative | Target | Present Position |
|---|--|--|
| To strengthen cross-boundary ties between the HKSAR Government and the Mainland authorities by acting as the HKSAR Government's overall co-ordinator for the Hong Kong/Guangdong Co-operation Joint Conference and the Cross-Boundary Liaison System (CAB) | <ul style="list-style-type: none"> To ensure the smooth functioning of these channels In 1999, we will co-ordinate discussion of major issues of co-operation between Hong Kong and Guangdong at the Joint Conference and between the relevant experts (1998) | <p>We have continued to act as the overall co-ordinator within the HKSAR Government for the Hong Kong/Guangdong Co-operation Joint Conference and the Cross-Boundary Liaison System. Both channels have functioned smoothly.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|---|--|
| The working relationship with the CPG and other Mainland authorities remain cordial and constructive | To ensure the continued development of a cordial and constructive working relationship with the CPG and other Mainland authorities |
| The existing and new channels of communication and co-operation with the Mainland authorities function smoothly and effectively | To ensure the smooth and effective functioning of these channels |
| The mutual understanding between the Mainland authorities and the HKSAR Government is further enhanced | To further strengthen our liaison and contacts with the Mainland authorities |

3

Facilitate the HKSAR's continued and active participation in the international arena

The HKSAR's continued and active participation in the international arena reflects our high degree of autonomy. CAB keeps an overview of the conduct of HKSAR's external affairs to ensure compliance with the relevant provisions of the Basic Law, consistency of approach and uniformity of practice. Specifically, we provide advice on HKSAR's participation in international organisations, the application of international agreements to the HKSAR, the full implementation of the international rights and obligations arising from the international agreements applicable to the HKSAR, the participation in and hosting of international conferences, and matters relating to the implementation of consular conventions in the HKSAR and the management of the consular corps. Where authorisation from the CPG is required under the Basic Law, CAB will arrange and facilitate discussions between the HKSAR Government and the MFA Office.

Progress Made

This is a new KRA which covers two of the initiatives under KRA 1 and KRA 2 in the 1998 Policy Address. Last year, we pledged to facilitate the conduct of HKSAR's external affairs by providing advice to other bureaux and departments which is consistent with the relevant provisions of the Basic Law and the "One Country, Two Systems" principle and to develop further our working relationship with the MFA Office.

We have achieved good progress in these two areas. Since reunification, the HKSAR has continued to participate actively in the international arena and our co-operation with the MFA Office has been smooth and effective. Up to September 1999, we have taken part in about 120 international conferences limited to states as part of the PRC delegation and participated on our own, using the name "Hong Kong, China", in more than 1 700 international conferences not limited to states. During the same period, we have also negotiated and concluded 37 bilateral agreements with foreign states and regions in accordance with the relevant provisions in the Basic Law.

It is our ongoing commitment to facilitate the HKSAR's continued and active participation in the international arena. We have therefore made it a new KRA. In this connection, we will continue to work closely with the MFA Office in handling external affairs to ensure full compliance with the Basic Law and to meet the practical needs of Hong Kong as an international city.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

| Initiative | Target | Present Position |
|---|---|---|
| <p>To facilitate and advise on the conduct of HKSAR’s external affairs. Specifically, to –</p> <ul style="list-style-type: none"> ● advise on the full implementation of international rights and obligations arising from the international agreements applicable to the HKSAR, including the submission of reports and statistics ● as appropriate, consolidate views within the HKSAR Government on the application of international agreements to the HKSAR ● as necessary, advise on the need to obtain CPG’s authorisation for the negotiation and conclusion of international agreements with foreign states, regions and international organisations ● advise on matters relating to the implementation of consular conventions in the HKSAR and the management of the consular corps | <p>To provide advice which is consistent with the relevant provisions of the Basic Law and the “One Country, Two Systems” principle (1998 and 1997)</p> | <p>We have continued to advise bureaux and departments on the implementation of international rights and obligations arising from the international agreements applicable to the HKSAR, the need to obtain CPG’s authorisation for the negotiation and conclusion of international agreements as well as the implementation of consular conventions in the HKSAR and the management of the consular corps. We have also updated the guidelines for HKSAR’s participation in international organisations and the hosting of international conferences.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

| Initiative | Target | Present Position |
|---|---|--|
| <ul style="list-style-type: none"> ● advise on matters relating to the establishment of semi-official (mostly trade) missions in the HKSAR, which requires CPG's permission ● advise on matters relating to HKSAR's participation in international organisations and conferences and the hosting of international conferences <p><i>(Constitutional Affairs Bureau (CAB))</i></p> | | |
| <p>To develop further our working relationship with the MFA Office by –</p> <ul style="list-style-type: none"> ● acting as the focal point of contact between the HKSAR Government and the MFA Office on matters relating to the conduct of HKSAR's external affairs, or foreign affairs relating to the HKSAR ● consolidating information provided or requests made by the HKSAR Government to the MFA Office where the subject matters cut across more than one policy area <p><i>(CAB)</i></p> | <p>To ensure the HKSAR Government maintains a cordial and constructive working relationship with the MFA Office that is consistent with the “One Country, Two Systems” principle</p> <p><i>(1998)</i></p> | <p>We have continued to be the focal point of contact between the HKSAR Government and the MFA Office on matters relating to HKSAR's external affairs and foreign affairs relating to the HKSAR. Our co-operation with the MFA Office has been smooth, effective and in compliance with the Basic Law.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|---|--|
| The soundness, consistency and practicability of advice provided | To provide sound advice to bureaux and departments so as to help ensure the full implementation of the Basic Law |
| The working relationship with the MFA Office remains cordial and constructive | To maintain and further develop our working relationship with the MFA Office |

The Basic Law sets out the blueprint for the gradual and orderly progress of our representative institutions. It provides for a steady increase in the number of geographical seats in LegCo, from 20 in the first term in 1998, to 24 in the second term in 2000 and to 30 in the third term in 2004. The ultimate aim is the election of all 60 LegCo members by universal suffrage. The Basic Law also provides for the selection of the Chief Executive ultimately by universal suffrage upon nomination by a broadly representative nominating committee in accordance with the principle of gradual and orderly progress.

With the successful completion of the first LegCo election on 24 May 1998, our major task ahead is to prepare for the election to the second-term LegCo in 2000. The HKSAR Government is committed to ensuring that the electoral systems continue to develop in accordance with the blueprint in the Basic Law and meet the needs of the community. Our objective is twofold : to ensure that our electoral systems remain open, fair, honest, acceptable to the community and comply fully with the Basic Law; and to increase community awareness of, and participation in, the elections.

To this end, LegCo has passed the Legislative Council (Amendment) Ordinance 1999, which provides for the LegCo election in 2000 within the framework of the Basic Law. We will encourage more people of Hong Kong to participate in the coming election.

Progress Made

Our target in 1998 was to formulate legislative proposals for the LegCo election in 2000 in accordance with the blueprint in the Basic Law and the needs of the community. We also aimed to devise suitable practical arrangements for the conduct of the election, and to ensure that the community accepts the electoral arrangements as being open, fair and honest.

We have made good progress in these areas. The Legislative Council (Amendment) Ordinance 1999 was passed by LegCo in July 1999. The proposals contained in the Ordinance follow the blueprint set out in the Basic Law and meet the needs of the community. With the enactment of this Ordinance, we are proceeding to make practical arrangements for the conduct of the LegCo election in 2000. In particular, we will conduct a major voter registration exercise in early 2000. This exercise serves not only to register as many voters as possible, but also to raise the public's awareness and interest in the election. We will take into account the experience in the first District Councils election to be held on 28 November 1999 in formulating practical arrangements (such as polling and counting arrangements) for the LegCo election. We will continue to ensure that the community accepts the election as being open, fair and honest.

To ensure that our elections are conducted fairly, openly and honestly and are free from corrupt and illegal conduct, we introduced the Election (Corrupt and Illegal Conduct) Bill into the LegCo in February 1999. We aim to have the Bill enacted by the end of 1999.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

| Initiative | Target | Present Position |
|--|---|--|
| <p>To formulate legislative proposals for the LegCo election in 2000 in accordance with the Basic Law’s blueprint and the needs of the community</p> <p><i>(Constitutional Affairs Bureau (CAB))</i></p> | <p>To introduce relevant bills into LegCo in the first quarter of 1999</p> <p><i>(1998)</i></p> | <p>The Legislative Council (Amendment) Ordinance 1999 was enacted in July 1999.</p> <p><i>(Action Completed)</i></p> |
| <p>To make suitable practical arrangements for the smooth conduct of the LegCo election in 2000. These include –</p> <ul style="list-style-type: none"> ● conducting a voter registration drive ● publicising the election to enhance community awareness of, and participation in, the election ● improving polling and counting arrangements on polling day <p><i>(CAB)</i></p> | <p>To conduct the election in 2000</p> <p><i>(1998)</i></p> | <p>We plan to conduct a large-scale voter registration drive in early 2000 and are making the necessary preparations. We will devise a publicity programme to publicise the election. We will examine the polling and counting arrangements in the light of the experience of the District Councils election to be held on 28 November 1999.</p> <p><i>(Action in Progress: On Schedule)</i></p> |

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|--|---|
| The formulation of legislative proposals for the LegCo election in 2000 in accordance with the blueprint in the Basic Law and the needs of the community | To make subsidiary legislation to provide for the practical arrangements for the election before mid-2000 |
| The practicality of arrangements for the conduct of the LegCo election in 2000 | To put in place practical arrangements which are convenient to voters and candidates |
| The compliance of electoral systems with the blueprint in the Basic Law and the extent to which they meet the needs of the community | To implement the Legislative Council (Amendment) Ordinance 1999 |
| The extent to which the community accepts the electoral arrangements as being open, fair and honest | To conduct a comprehensive review of the practical arrangements after the LegCo election in 2000 |
| The degree of community participation in the electoral process | To encourage voters to cast their votes in the LegCo election in 2000 |

We will undertake the following initiatives to deliver results in this area –

| Initiative | 1999 Target |
|--|--|
| <p>To make suitable practical arrangements for the smooth conduct of the first District Councils election</p> <p><i>(CAB)</i></p> | <p>To conduct the election on 28 November 1999</p> |
| <p>To make suitable practical arrangements for the smooth conduct of the LegCo election in 2000</p> <p><i>(CAB)</i></p> | <ul style="list-style-type: none"> ● To conduct a large-scale voter registration exercise in early 2000 ● To launch a large-scale publicity campaign in mid-2000 to publicise the election and enhance community awareness of, and participation in, the election ● To conduct the election in September 2000 |
| <p>To study the feasibility of upgrading the computer system in the Registration and Electoral Office with a view to improving services provided to electors</p> <p><i>(CAB)</i></p> | <p>To commence the feasibility study in 2000</p> |
| <p>To study the various systems of government currently adopted in other parts of the world, with a view to developing a system which best suits Hong Kong's long-term interests</p> <p><i>(CAB)</i></p> | <p>To commence a study of the government systems of various places in the world in 2000</p> |
| <p>To examine the desirability and feasibility of a political party law in the light of our evolving electoral systems and the political situation of Hong Kong</p> <p><i>(CAB)</i></p> | <p>To commence the study after the LegCo election in 2000</p> |

5

Implement necessary changes to the structure and functions of district organisations

In 1998, we reviewed the structure and functions of district organisations to ensure the efficient and responsive delivery of services to our evolving communities. We have proposed a reorganisation package which includes the following initiatives –

- the Provisional Municipal Councils (PMCs) should be dissolved on expiry of the terms of office of their existing members on 31 December 1999
- upon the dissolution of the PMCs, the Administration should assume direct responsibility for all functions relating to food safety and environmental hygiene and set up an Environment and Food Bureau, which would be underpinned by a new Food and Environmental Hygiene Department, as well as the existing Environmental Protection Department and Agriculture and Fisheries Department
- a new Leisure and Cultural Services Department should be set up under the Home Affairs Bureau to take over the PMCs' main responsibility in these areas
- the Provisional District Boards should be renamed "District Councils", with appropriate enhancement of their role, composition and resources

The Constitutional Affairs Bureau co-ordinates the reorganisation exercise in consultation with the relevant policy bureaux and departments such as the Home Affairs Bureau. A Task Force on Reorganisation of Municipal Services has been set up since July 1999 to oversee the reorganisation of municipal services with a view to putting in place the new structure for service delivery on 1 January 2000.

Progress Made

In 1998, we aimed to implement the changes to the structure and functions of district organisations by the end of 1999. We also aimed to arrange an open, fair and honest election to the first District Councils in the last quarter of 1999.

Progress towards these targets has been satisfactory. An ordinance to establish the District Councils on 1 January 2000 was enacted in March 1999. A proposal to increase the accountable allowances for District Council members to cover the cost of employing assistants was approved by LegCo in July 1999. We are making the necessary preparation for the election to the first District Councils to be held on 28 November 1999.

In April 1999, we introduced the Provision of Municipal Services (Reorganisation) Bill into LegCo to effect the transfer of the rights, liabilities and functions of the PMCs to the HKSAR Government and other statutory bodies after 31 December 1999. The Bill is being examined by a LegCo Bills Committee. We are finalising the organisational structure and

financial provision for the new bureau and departments. We aim to streamline the structure and improve co-ordination and service delivery in the areas of food safety and environmental hygiene as well as leisure and culture after the reorganisation. Preparation for the transition is under way.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

| Initiative | Target | Present Position |
|---|--|--|
| <p>To formulate changes to the structure, functions, funding arrangements, executive support and composition of district organisations following the public consultation exercise. This will involve –</p> <ul style="list-style-type: none"> ● introducing legislation to give effect to the changes of district organisations ● implementing organisational and functional changes to the two municipal services departments and possibly other government agencies <p><i>(Constitutional Affairs Bureau (CAB))</i></p> | <p>To complete the changes by the end of 1999 <i>(1998)</i></p> | <p>The District Councils Ordinance was enacted in March 1999 and the Provision of Municipal Services (Reorganisation) Bill is being examined by a Bills Committee. A Task Force has been set up to oversee the reorganisation of municipal services.</p> <p><i>(Action in Progress: On Schedule)</i></p> |
| <p>To formulate legislative proposals for the District Councils election <i>(CAB)</i></p> | <p>To introduce a bill on the District Councils election into LegCo in end-1998 or early 1999 <i>(1998 and 1997)</i></p> | <p>The District Councils Ordinance was enacted in March 1999. <i>(Action Completed)</i></p> |

| Initiative | Target | Present Position |
|--|--|---|
| To make arrangements for the smooth conduct of the District Councils election. These will include publicising the election to enhance community awareness of, and participation in, the election <i>(CAB)</i> | To conduct the election in the last quarter of 1999 <i>(1998)</i> | We are making the necessary preparations for the election to be held on 28 November 1999. <i>(Action in Progress: On Schedule)</i> |

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

| Indicator | 1999 Target |
|---|--|
| Percentage of the reorganisation programme completed as planned | To complete the reorganisation programme by 1 January 2000 |
| The extent to which the community accepts the electoral arrangements as being open, fair and honest | To conduct a comprehensive review of the practical arrangements after the first District Councils election |