

Council's Brainstorming Session held on 21st April 2008

Council's Brainstorming Session (21st April 2008)

1. Introduction

- 1.1 This note presents the findings of the SD strategy brainstorming that took place on 21st April 2008. Members of the Council for SD together with members of the supporting sub-committees participated. Together with representatives from the Environment Bureau and the facilitator, there was a total of 36 attendees. (See attachment 1).
- 1.2 A briefing note for the members was prepared (see attachment 2) in advance of the session. In this note, the following questions were posed to members -
- Is the Council making progress in shaping key SD policies for Hong Kong?
 - Is Hong Kong now ready for an SD strategy and what should be the key tenets of such a strategy given the particular political economy of the territory?
 - Do we have in place the best institutional and governance arrangements to make the Council effective and allow the strategy to be both developed and then implemented?
- 1.3 Members were split into four breakout groups to discuss each of the questions with a representative providing feedback from the group for each question. A summary of feedback is as follows.

2. Is the Council making progress in shaping key SD policies for Hong Kong?

- 2.1 On a scale of 1 to 10, performance was rated as 5. In general, while members considered that the Council was successful in designing and implementing the public engagement process to engage the community in discussion on priority sustainability issues, they did not think that the Council was making enough progress in shaping key policies on SD. Reasons cited were as follows.
- 2.2 Whilst members were unanimous that the engagement process had accomplished its aim of reaching out to stakeholders, they felt that the Council's position in the policy-making process was unclear and had limited influence. There was weak follow up to the SD recommendations from the engagement process to policy making implying that a clear link between the process and Government output in terms of a policy response was needed.
- 2.3 There was a perception that the institutional structure needed strengthening – this suggests that the Council used to have a more robust role in helping to shape policy owing to its direct reporting line to the Chief Secretary's office but this had changed in its level of influence.
- 2.4 Other comments indicated that the existing partnership model was not functioning that well and the Council's engagement with Government could be improved.
- 2.5 According to members, this limitation is particularly relevant for cross-bureau issues. Examples mentioned include the Council's better air quality programme that calls for current action across transport, energy, health, education and environment sectors.

2.6 A further reason provided was that the Council's recommendations are hard to push across the various Government bureaus owing to the perception that there is a strong environmental focus which may not take economic and social dimensions into account when proposing ideas for Government.

3. Is Hong Kong now ready for an SD strategy and what should be the key tenets of such a strategy given the particular political economy of the territory?

- 3.1 Members were invited to develop a framework for a strategy that would be relevant to Hong Kong's particular needs using 5 policy areas for such a strategy. The following policy areas were proposed.
- 3.2 Hong Kong should adopt approaches to low carbon economy based on SD goals and which will foster new outlooks and policies for related sectors like energy and transport policies, as well as push lifestyle changes in achieving energy conservation and efficiency.
- 3.3 A new policy on land use is vital for Hong Kong. This should embrace integrated planning, buildings, heritage conservation, property rights and infrastructure development.
- 3.4 Hong Kong should have SD-related policies, both current and new, aligned with developments on the mainland especially in the Pearl River Delta. Hong Kong's aspirations to be the greenest city in the region - if this is the case - should be reflected in the strategy.
- 3.5 An updated policy direction on how Hong Kong will protect the quality of the environment both from a resource management perspective as well as achieving territory-wide and regional environmental targets such as air and water quality objectives, and waste reduction targets.
- 3.6 The SD strategy must also address territory-wide issues so that SD implementation can be promoted at district level and each district can develop its own local SD activity programmes.
- 3.7 In addition, a general comment was that in developing an SD strategy, it must be recognised that Hong Kong must have robust human resource development programmes and education systems that will support the above policy areas.

4. Do we have in place the best institutional and governance arrangements to make the Council effective and allow the strategy to be both developed and then implemented?

- 4.1 Members pressed on the issues of institutional arrangements and whether the Council could be more effective if these were strengthened. Key issues concerned the Council's interface with Government, the Council's credibility and authority, its independence and availability of resources to support the Council's work.
- 4.2 Three options were presented -

- Option 1 - Same, no change with an independent Chairman and the Council housed under a Bureau
 - Option 2 - Improvements to the existing arrangements with strengthening of the role of the Secretary of the Bureau to escalate matters upwards as advised by an independent Chairman
 - Option 3 - Move the Council back under the Chief Secretary's office and have an independent Chairman reporting to the Chief Secretary or Chief Executive.
- 4.3 Following discussion, three out of four groups indicated their preference for Option 3 with the remaining group supporting Option 2.
- 4.4 All of the groups favoured the role of an independent Chairman, as this was crucial for credibility during the engagement process.
- 4.5 Members considered that the Council had to have reporting access to the highest level in Government to ease any obstacles posed owing to lack of cross-bureau ownership of SD matters.
- 4.6 One group suggested the appointment of a commissioner of SD to work with the Chairman and the Council to vet SD proposals.
- 4.7 One group raised the issue of whether the Secretariat for the Council – the SDU – should be within or outside Government.
- 4.8 The group that supported option 2 proposed a change in the title of the Bureau Secretary to include SD explicitly in his role.

5. Next Steps

- 5.1 The Council will consider the suggestions on the key policy areas to be included in an SD strategy for Hong Kong
- 5.2 The Chairman of the Council will inform the Chief Executive of the discussion outcomes as well as outlining other key suggestions arising from the session and seek his advice.
- 5.3 Based on the response from the Chief Executive, the Council will then further develop its recommendations on Hong Kong's SD strategy.

ENDS

29th April 2008

**Brainstorming Session of the Council of Sustainable Development
on 21 April 2008 (Monday)**

Chairman : Dr Edgar Cheng

Members : Ir Otto Poon
Ms Christine Fang
Mr Tai Hay-lap
Professor Lam Kin-che
Professor Tsui Lap-chee
Mr Michael Lai
Dr Lily Chiang
The Hon Choy So-yuk
Mr Hans Michael Jebsen
Mr Edward Yau, Secretary for the Environment
Mrs Carrie Lam, Secretary for Development
Ms Annette Lee, Deputy Secretary for Transport and
Housing (Transport)³
Mr Albert Lai
Mr Chandran Nair
Dr Chan Wai-kwan
Mr Chua Hoi-wai
Mr Ali Tuet
Dr Andrew Thomson
Dr Alexis Lau
Dr Susan Fan
Ms Luciana Wong
Dr Ng Cho-nam
Ms Anne Copeland Chiu
Ms Jacqueline Cheng
Mr Chong Chan-yau
Mrs Juliana Chen
Dr Pang King-chee
Dr Samuel Yung
Mr Edward Leung
Dr Alvin Kwok
Mr Jonathan Chan

Apologies : Mr Barrie Cook
Mr Thomas Kwok
Mr Tsang Tak-sing, Secretary for Home Affairs
Prof. Wong Siu-lun
Dr Chan Wong Lai-kuen, Anissa
Ms Mei Ng
Mr Plato Yip
Dr John Chai
Mr Barry Kwong

In Attendance : Dr Thomas Tang, Global Institute for Tomorrow
(Facilitator)
Ms Anissa Wong, PS(Env)
Mr Roy Tang, DS(Env)

Secretary : Ms Jennifer Chan, PAS(SD)

Discussion Note for Council Brainstorming on 21st April 2008

1. Introduction

1.1 This note has been prepared to brief SD Council members and sub-committee members on the proposed topics for discussion on 21st April in order to focus the discussions and work towards an outcome. It is noted that in the discussions leading up to the brainstorming many ideas and points have been raised and - whilst each contribution has been gratefully acknowledged – it is not the purpose of this session to discuss every point but rather to focus on a higher macro-level of discussion.

1.2 With this in mind, there are three pertinent questions that the group should consider:

- Does this group believe the Council is making progress in shaping key SD policies for Hong Kong?
- Is Hong Kong now ready for an SD strategy and what should be the key tenets of such a strategy given the particular political economy of the territory?
- Do we have in place the best institutional and governance arrangements to make the Council effective and allow the strategy to be both developed and then implemented?

2. Does this group believe the Council is making progress in shaping key SD policies for Hong Kong?

2.1 Hong Kong has undergone many notable changes over the last decade triggering expectations on the part of citizens on how to maintain a high quality of life and environment and build a society befitting a world-class city. In that sense, sustainable development is a concept that embraces all of these issues and concerns, and thus should be an integral part of any system of governance determining Hong Kong's future.

2.2 This was recognised by the Government in 1997 when it commissioned a study on how SD should be integrated into policy decision making. A recommendation of the study was to set up a Council for SD and establish the SDU within the office of the Chief Secretary. The Council was established in March 2003 and since then it has become one of the most widely recognized and respected bodies in Hong Kong.

2.3 The Council's engagement process was first utilised in 2004 to collect stakeholder views on three topics: solid waste management, renewable energy and urban living space. The key difference in the first exercise from later ones was the method used to select the discussion topics – through the advice of government officials. The topics for subsequent engagement processes have since been picked by stakeholders.

2.4 The Council has since carried out two more engagement exercises: population policy and better air quality. These topics were selected by stakeholders. On both occasions the level of engagement has improved both in terms of quality and quantity. An independent body has been used each time to report on the findings and provide an impartial reflection of stakeholder views.

2.5 In the latest exercise on better air quality, the Council produced a pre-engagement report on the key issues and derived three main topics for public discussion: demand side management, road pricing and high air pollution days. In the report, the Government also presented their views on what they were doing to tackle air pollution in Hong Kong. The engagement process for better air quality evoked a massive response from the public with over 80,000 responses to the Council's invitation and response document and questionnaire. As part of the engagement process, the Government is due to respond to the Council's recommendations on achieving better air quality within the next two months.

- 2.6 As expectations are high following the significant public involvement, it is worth asking if the Council made any real progress in shaping SD policies for Hong Kong? Whilst the engagement process has been an innovation in Hong Kong and provides opportunities for the Government to leverage upon to take action, there is a perception in the public mind that the Council has not really been effectual in advising Government on key policies related to sustainable development.
- 2.7 Different stakeholder groups hold varying perspectives on SD as each of them will have specific interests that best serve their needs. However, not all of these interests are aligned hence one of the key roles of the Council is to draw these different views together and develop the best approach for Hong Kong. The engagement process is an attempt at that and has proven to be quite effective. More fundamentally, attitudes and behaviour based on these views means that different stakeholder groups will adopt entrenched positions on SD topics – this is the factor that leads to the tension and conflict that arise within Hong Kong’s community.
- 2.8 Government is a key stakeholder and has both the privilege and the burden of developing Hong Kong’s policies - but as a party to the SD debate Government faces the dilemma of having to act on deliberations which it may not agree with. The Government is also faced with the political challenge of having to secure legislative support which often proves to be difficult given the nature of the political structure. This is where the Council can be more active in closing gaps in knowledge amongst stakeholders so that balanced policies can be fashioned based on accurate information and better understanding of Hong Kong’s SD needs. For example, should the Council be involved in briefing legislators on a regular basis on key issues where it believes action is urgently needed?
- 2.9 It is also clear that there is a real gap between what advocates of SD including members of the Council and sub-committees view as the approach and actions to take versus the views of the key policy makers in Government. Is this gap narrowing or widening?
- 2.10 The Council must build on the work it has already carried out and to do so members must be prepared to put aside pre-conceived notions and decide if the Council and its committees have to move to a new level of shaping policy.
- 2.11 Put another way, the question to be discussed is: Is Hong Kong stuck in a “business as usual” cul-de-sac or have business, legislative and executive levels a sufficiently firm grasp on the SD issues that are key to Hong Kong’s success to be able to move forward and meet public expectations?

3. Is Hong Kong now ready for an SD strategy and what should be the key tenets of such a strategy given the particular political economy of the territory?

- 3.1 Strategy links the vision for Hong Kong’s sustainable development to actions. A Hong Kong SD strategy must be formulated at an overarching level to embrace the many varied single sector strategies that the Government executes such as transport, housing, energy etc., and cross over different sectors as well as reflect political objectives. This overarching strategy should further be measurable, address pressing issues, be meaningful to stakeholders and communicable.
- 3.2 An effective strategy can only be considered successful if it can be practically implemented and the effects measured. The use of a few but significant and relevant sustainability targets with timelines to track progress, to make policy makers accountable and which can be used for annual reporting purposes should be considered. Currently the Council only tackles one issue at a time through the engagement process.

But by agreeing on some high level SD targets which are to be met by certain timelines, it would be possible to adopt a more cross-sectoral and integrated approach as the basis of Hong Kong's SD strategy. Typically the strategy should be based on SD targets over five and ten-year periods so that issues like the influence on GDP through the incorporation of these targets into the economy can be addressed. These targets and timelines should be worked out by the Council working with the Government and the community - but done with some urgency.

- 3.3 The strategy must relate SD topics to pressing and ongoing issues that are affecting Hong Kong so that key stakeholders are engaged and policies shaped accordingly. It does not mean that all of these key issues will all need to undergo the engagement process but they nonetheless should be on the Council's ongoing agenda. Examples include:
- Abatement policies to meet climate change and seawater level rise;
 - Energy security and the links to greenhouse gas emission reduction;
 - Transport policy and electricity generation strategies;
 - Urban design as it affects air quality, energy efficiency, conservation efforts and quality of life (including recreation);
 - Land use as it affects air quality, congestion, loss of heritage etc.
 - Conservation issues with regard to countryside and marine environment; and
 - Lifestyles and consumption challenges.
- 3.4 The strategy should be communicated using the media as a strategic partner. Many SD policies are too abstract for the public and the media could help communicate the message better. From an educational perspective, the strategy should be promulgated to reach the young; one way is to actively encourage the inclusion of sustainable development as part of the curriculum.
- 3.5 Is Hong Kong now ready to develop an overarching strategy of this nature? Government has already recorded some successes in delivering on single sector strategies like housing and energy but these are components rather than an overall SD strategy for Hong Kong and many even believe Hong Kong does not really have one. The question the Council must ask itself before it advises the Government is whether the Government leadership acknowledges the needs for an embracing strategy and, if not, how the Council will - in its advisory role - persuade the Government to do so. A key consideration is also whether there is sufficient robustness in the current institutional framework to allow this.
- 3.6 The challenge is to make the strategy very relevant to Hong Kong and avoid an exercise that is generic and attempts to take on board all issues or even simply adopt approaches that are not relevant to Hong Kong. What should the SD strategy for Hong Kong realistically include?
- 3.7 Examples of the complexities involved in developing Hong Kong's SD strategy are best understood by a brief examination of the following two issues below:

Urban development and conservation

Hong Kong is undergoing strong challenges in conserving its heritage and past whilst at the same time facing pressures on land use and development for housing, transport and commercial use. The perceived conflict lies between conservation and development but this is underpinned by many other cross-sectoral factors such as land use planning, land sales to generate revenue, transport planning to accommodate more vehicles on new roads, new developments for housing and office space and community space. Hence finding the right policy for conservation in an SD context is much more complex and has to draw in all the influencing factors.

Better air quality

Hong Kong's air quality problems are caused by both regional and local sources of pollution. Within an SD framework, the power and the transport sectors are the main contributors to air pollution but these sectors are linked back to factors such as Hong Kong's energy supply and trade policies. The use of "polluter pays" mechanisms like road pricing have to take into account the interests of the relevant lobby groups and, at the same time, pay cognisance to concern groups dealing with public health and environmental improvement.

4. Do we have in place the best institutional and governance arrangements to make the Council effective and allow the strategy to be both developed and then implemented?

4.1 Currently the mission of the Council is to be a "focus and a forum for exchanging views on key issues related to Hong Kong's long term sustainability" (taken from the SDU website). It would appear that this is too narrow an explanation for all of the Council's roles such as:

- Identifying the key issues related to sustainable development affecting Hong Kong through engaging stakeholder views;
- Developing these issues into key actions through putting out think pieces into the public domain for discussion;
- Partnering with business, civil society and government to ensure extensive outreach to stakeholders;
- Executing a well-defined engagement process that has robust feedback mechanisms that gather and collate the views of stakeholders;
- Promoting sustainable development through the sponsorship of related community projects; and
- Providing advice to the government on Hong Kong's priority areas in implementing sustainable development.

4.2 It is therefore important for the Council to re-visit its mission and its role; for instance, should the Council be an outcome-oriented entity as well as a channel for the public to express their views to the government? If so, the mission should explicitly address this point and the fact that the Council has to work even more closely with the Government to align policies with public expectations.

- 4.3 The institutional aspects of the Council's interaction with the Government are thus key to success. Should the Council be part of the Chief Secretary's office or within a discrete Bureau? Several members of the Council have expressed their views on this matter and it is an opportunity to have an open discussion so feedback can be provided to the Chief Executive. One view is that, as the Government is a key player in the effectiveness of the Council, there is the need for the right level of leadership and commitment – but where would be the most effective place for this to emanate from, at Chief Secretary or Bureau level?
- 4.4 The other view is that, as the Council was originally set up by the Chief Executive, the governance structure should reflect this; placing it under a Bureau gives the impression that the reporting and accountability of the Council lacks escalation to the highest level. It further raises the question of what should be the relationship between the Council and the heads of Government Departments and Bureaus?
- 4.5 The following options are presented for discussion:
- **Option 1** – Same, no change with an independent Chairman and the Council housed under a Bureau;
 - **Option 2** – Improvements to the existing arrangements with strengthening of the role of the Secretary of the Bureau to escalate matters upwards as advised by an independent Chairman; or
 - **Option 3** – Move the Council back under the Chief Secretary's office and have an independent Chairman reporting to the Chief Secretary or Chief Executive.
- 4.6 Members are requested to consider these options with the aim of making the work of the Council to be more outcome-oriented as well as representative of stakeholder wishes for the betterment of Hong Kong.

Dr Edgar Cheng
Chairman, Council for Sustainable Development
18 April 2008