

**COUNCIL FOR SUSTAINABLE DEVELOPMENT**  
**STRATEGY SUB-COMMITTEE**

Paper 04/03

**Preliminary Ideas for a Draft Structure for a  
Hong Kong Sustainable Development Strategy**

**Purpose**

This paper develops further the ideas outlined at Annex B of paper 03/03 “Key Steps in Formulating a Sustainable Development Strategy”.

**Proposal**

2. In the light of views expressed by Members of this Sub-committee since the previous meeting on 29 April, we **propose** that –
- (a) to facilitate the Council for Sustainable Development (CSD)’s consideration of an initial vision statement for the Sustainable Development (SD) Strategy, Members give further thoughts to the possible framework and wording for a draft statement based on the SD definition in an early consultancy study and the policy statement in the 1999 Policy Address;
  - (b) consideration be given to organizing the objectives to be set out in the SD Strategy in terms of the “stock of capital” approach; and
  - (c) subject to the advice of the CSD, this Sub-committee proceed to engage a range of stakeholders in the discussion on an appropriate structure for the SD Strategy, and that the Sustainable Development Unit (SDU) should draft a schedule and timeframe for this purpose.

## Considerations

### *Strategic Vision*

3. The OECD and UNDP resource book on SD strategies notes that: “strategic frameworks are more likely to be successful when they have a long-term vision with a clear timeframe upon which stakeholders agree.”

4. The purpose of a vision statement in the context of a SD strategy is commonly to describe the long-term aspirations that guide the other aspects of the strategy. As such, it might relate to the type of society that is envisaged and changes that might be needed in existing practices. Typically, SD strategies in other administrations adopt a framework of 20 to 30 years for the strategic vision.

5. In the Planning Department’s “Susdev 21” Study completed in 2000, the definition of sustainable development is as follows –

“Sustainable Development in Hong Kong balances social, economic, environmental and resource needs, both for present and future generations, simultaneously achieving a vibrant economy, social progress and a high quality environment, locally nationally and internationally, through the efforts of the community and the Government.”

6. In his 1999 Policy Address, the Chief Executive (CE) stated that sustainable development for Hong Kong meant –

“finding ways to increase prosperity and improve the quality of life while reducing overall pollution and waste; meeting our own needs and aspirations without doing damage to the prospects of future generations; and reducing the environmental burden we put on our neighbours and helping to preserve common resources”

7. The Susdev 21 definition and the policy statement by the CE in 1999 can be seen as useful starting points for formulating an appropriate vision for Hong Kong’s SD Strategy. There are suggestions that issues such as population policy and Hong Kong’s relationship with the Pearl River Delta Region in particular might also be referred to in the vision statement.

### *Strategic Objectives*

8. Strategic objectives describe how the vision might be achieved, and should address the priority issues that need to be tackled in pursuing sustainable development. These objectives need to be expressed in such a way as to encompass the key concerns of stakeholders, while also being specific enough to allow measurable targets to be defined.

9. In the context of developing the computer tool for sustainability assessments of major new policy proposals, and following extensive public consultations then, the Susdev 21 Study concluded eight guiding principles that were considered as the priorities in the pursuit of Hong Kong's sustainable development. Furthermore, through a facilitated workshop process at the International Symposium on Sustainable Development in June 2002, a number of representatives of NGOs and other concerned groups as well participating individuals arrived at a list of ten priority areas for attention in the implementation of our sustainable development. The respective guiding principles and SD priority areas are listed below.

#### **Guiding Principles from Susdev 21 Priorities from 2002 Symposium**

- |                                     |                                    |
|-------------------------------------|------------------------------------|
| + Economy                           | + Education                        |
| + Health and Hygiene                | + Social Fabric / Civil Society    |
| + Natural Resources                 | + Integrated Planning              |
| + Society and Social Infrastructure | + Corporate Social Responsibility  |
| + Biodiversity                      | + Civil Liberties and Human Rights |
| + Leisure and Cultural Vibrancy     | + Integration with the Mainland    |
| + Environmental Quality             | + Conservation / Biodiversity      |
| + Mobility                          | + Economic Base / Competition      |
|                                     | + Green Economy                    |
|                                     | + Sustainable Population Change    |

10. Clearly, stakeholder groups will have diverse viewpoints and specific proposals from separate sectors will also vary. In order to integrate as far as possible the many independent policy areas that would be encompassed by the SD Strategy, and to make the Strategy more focused for implementation and monitoring afterwards, there is a need to avoid splitting it structurally into too many “themes” or priority areas.

11. To achieve more effective integration across policy areas and avoid the creation of too many discrete themes or priority areas in the strategy, we could use the concepts of “capital stocks” and “flows” to identify broad categories within which to formulate our strategic objectives. We must consider both stocks and flows. Although we can develop policies that involve direct investment to enhance stocks (e.g., education to enhance human capital), many sustainability issues also involve the management of flows. Degradation of, or a reduction in, the stock of capital can be a direct result of over-exploitation of the resource base (e.g., fisheries and forests). It can also reflect ineffective management, or it may be competition from elsewhere that draws away resources (i.e., creates negative flows) and diminishes the local capital stock (e.g., of a limited pool of highly skilled labour). The issue of flows and what constitutes a “sustainable level of use” is particularly important for various environmental and natural resource issues. However, it may also be relevant in other areas such as social and economic capital (e.g., the loss of highly trained professionals from Hong Kong, and changing patterns and volumes of foreign investment here).

12. Our strategic objectives can be formulated in the context of -

- (a) **Social capital:** civil society, social infrastructure, population policy, education policy, health and hygiene, leisure, cultural vibrancy
- (b) **Economic capital:** physical infrastructure, natural and human resource base, regional integration, population policy, domestic and foreign investment, transportation and mobility
- (c) **Environmental capital:** natural resource base,

biodiversity, quality of the environment

- (d) **Institutional capital:** civil society, public sector management and administration, corporate governance and responsibility

13. Such an approach would help to highlight the links between policy areas within the broad "capital" categories. Some policy areas would appear in more than one category. This would further emphasise the integrated nature of the strategic platform and the importance of cross-sectoral issues. It also suggests that there are a number of **critical** policy areas that require more detailed attention and have to be effectively integrated if any strategy is to be successful. Examples may include population policy, strengthening of civil society, the quality of the environment, investment promotion and infrastructure provision.

#### *Benchmarking*

14. In order to provide an objective standard, against which we can measure the progress of implementation of the SD Strategy, we shall need to consider –

- (a) collecting current and historical data and information on the specific areas grouped within the various categories of "capital"; and
- (b) studying the experience of other places with a view to making reference to international best practices in the relevant areas.

15. The benchmarking exercise should allow the community to have an overall objective picture of the current state of play regarding the areas identified as contributing to our stock of "capital". This will help to enable informed choices to be made about the direction of the SD Strategy, and will also allow for the development of base indicators and targets that will help strengthen the sustainability assessment process, identify trends, detect changes and track progress.

### *Targets*

16. A time-scale, typically 20 to 30 years in the case of SD strategies for other administrations, would need to be set for achieving certain targets in respect of the strategic objectives. These could be drawn up with the participation of relevant stakeholders so as to ensure common ownership and goals. Within the overall framework, phased milestones or shorter-term targets could be set, and appropriate measuring mechanisms should be agreed upon with stakeholders.

### *Action Plans and Implementation*

17. With regard to the various themes and objectives in the SD Strategy, we would need to invite government agencies and relevant stakeholder parties to propose specific action plans and implementation processes in the form of commitments to tackle certain key areas of concern, whether through re-engineering of administrative or operational processes, or reprioritising the allocation of resources to particular areas. A key element in this process will be establishing a schedule and calendar for implementation. However, care should be taken to build in sufficient flexibility to embrace shifts or changes over time.

### *Monitoring and Evaluation Systems*

18. A monitoring and evaluation system is necessary to ensure accountability. Regular evaluation may help correlate actions with specific changes in conditions, test the strategic hypotheses, assure accountability and develop capacity through learning.

19. The UNDP and OECD recommend that a successful monitoring and evaluation system should possess certain qualities –

- (a) it has to be a mix of internal and external exercises;
- (b) it has to be driven by strategy objectives rather than the availability of data;
- (c) it has to relate to good baseline data to be able to compare “before and after” or “with or without” scenarios; and

- (d) it has to be organised into a consistent framework.

### **Further Action**

20. Subject to Members' views and suggestions, the SDU will compose an initial draft vision statement for the SD Strategy for consideration by the full Council. The Unit will also prepare a suitable briefing document for discussion with stakeholders on the structure of the strategy, and draw up a schedule for early and focussed consultation on this issue.

Council Secretariat  
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