

Index Page

Replies to supplementary questions raised by Legislative Council Members in examining the Estimates of Expenditure 2025-26

Director of Bureau : Secretary for Financial Services and the Treasury

Session No. : 6

Consolidated e-file name : FSTB(Tsy)-2S-e1.docx

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
S-FSTB(Tsy)01	S034	KAN Wai-mun, Carmen	31	(1) Control and Enforcement (4) Revenue Protection and Collection
S-FSTB(Tsy)02	SV010	KONG Yuk-foon, Doreen	51	(3) Estate Utilisation
S-FSTB(Tsy)03	S039	LUK Chung-hung	59	(3) Land Transport
S-FSTB(Tsy)04	SV008	HONG Wen, Wendy	76	
S-FSTB(Tsy)05	SV009	KONG Yuk-foon, Doreen	76	
S-FSTB(Tsy)06	S031	KAN Wai-mun, Carmen	147	(2) Revenue and Financial Control
S-FSTB(Tsy)07	S032	KAN Wai-mun, Carmen	147	(2) Revenue and Financial Control
S-FSTB(Tsy)08	S033	KAN Wai-mun, Carmen	147	(2) Revenue and Financial Control
S-FSTB(Tsy)09	S035	TSE Wai-chuen, Tony	147	(2) Revenue and Financial Control

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)01

(Question Serial No. S034)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement, (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (CHAN Tsz-tat)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. The quantity of illicit cigarettes seized via the channels of storage, distribution and peddling substantially increased from 98 million sticks in 2023 to 205 million sticks in 2024. What are the reasons?
2. The Government only provided the expenditures on emoluments of the 61 officers dedicated to combating illicit cigarette activities in the past 5 years. Apart from the manpower expenditure, what are the other expenditures including those on upgrading of equipment?
3. When were the Computed Tomography Scanners and auto-detection devices for X-ray checkers amounting to \$58 million procured? Are they used in areas other than anti-illicit cigarette work? If yes, what is the effectiveness?
4. The Customs and Excise Department (C&ED) is working with relevant bureaux to explore the implementation of a series of new measures (including the introduction of a duty stamp system) to enhance enforcement effectiveness. What is the current progress of the legislative amendment exercise involved?

Asked by: Hon KAN Wai-mun, Carmen

Reply:

1. Since the full resumption of normal travel between the Mainland and Hong Kong in 2023, the Customs and Excise Department (C&ED) has found that illicit cigarette syndicates began to adopt the mode of “ants moving home” by smuggling illicit cigarettes into Hong Kong in batches in a bid to minimise the financial loss incurred by seizure of illicit cigarettes. In the light of the situation and considering that the increase in tobacco duty announced in the 2024-25 Budget may provide a greater incentive for illicit cigarette smuggling, C&ED has adjusted its enforcement strategies and stepped up actions against large-scale illicit cigarette storage centres downtown in order to intercept the supply chain of illicit cigarettes. As a result, there was a substantial increase in the quantity of illicit cigarettes seized via the channels of storage, distribution and peddling in 2024.
2. The resources involved in combating illicit cigarette activities by C&ED have been included in the general operating expenditure. C&ED does not maintain a breakdown of expenditures other than the manpower expenditure.
3. C&ED procured the Computed Tomography Scanners and auto-detection devices for X-ray checkers amounting to \$58 million between 2021 and 2023 to enhance clearance efficiency and detect contraband, including cigarettes, dangerous drugs, explosives, firearms, weapons, etc., in a more effective and efficient manner. The deployment of such advanced inspection equipment helps enhance the overall enforcement effectiveness of C&ED. The total number of cases detected by C&ED in 2024 rose by more than threefold as compared to 2020, with a significant increase in cases involving illicit cigarettes, dangerous drugs and smuggled items.
4. The Government announced the “10 tobacco control measures” in June last year while stepping up actions against illicit cigarettes activities was accorded the highest priority. Relevant measures include (i) introducing a Duty Stamp System to differentiate duty-paid cigarettes from duty-not-paid cigarettes; (ii) requiring tobacco products being sold at a price lower than the tobacco duty need to be proved duty-paid; (iii) increasing the maximum penalty for dealing with, possession of, selling or buying duty-not-paid cigarettes; and (iv) listing the relevant offences in relevant schedule of the Organized and Serious Crimes Ordinance (Cap. 455). The Health Bureau plans to submit the amendment bill on the above tobacco control measures to the Legislative Council at the end of April this year. C&ED is actively working with relevant bureaux on the implementation details.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)02

(Question Serial No. SV010)

Head: (51) Government Property Agency

Subhead (No. & title): ()

Programme: (3) Estate Utilisation

Controlling Officer: Government Property Administrator (Eugene FUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Government Property Agency does not keep information on the repair and maintenance expenses of properties without designated use or left vacant. What is the reason for this?

Asked by: Hon KONG Yuk-foon, Doreen

Reply:

As mentioned in the written reply serial no. FSTB(Tsy)009, the Government Property Agency (GPA) is assisting the relevant bureaux/departments to lease more than 10 properties which are surplus to the Government's operational needs. Since these properties are specialist/departmental buildings under the management of the relevant bureaux/departments, their repair and maintenance are undertaken directly by such bureaux/departments or through the assistance of the Architectural Services Department. Because of this, the GPA does not keep information on the repair and maintenance expenses of these properties.

The GPA has consulted the relevant departments on this enquiry. They said that they had not carried out repair and maintenance works for the above properties in recent years and therefore no expenses had been incurred in this regard.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)03

(Question Serial No. S039)

Head: (59) Government Logistics Department

Subhead (No. & title): ()

Programme: (3) Land Transport

Controlling Officer: Director of Government Logistics (Carlson CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

- (1) Are all government electric vehicle procurement conducted through open tendering procedures? If so, please provide details of tenders for electric private car procurement in the past 5 years (e.g. technical specifications and scoring criteria, etc.). If trade secrets are involved, please disclose at least key indicators (e.g. driving range, charging efficiency and safety standards, etc.). If not, please explain the vetting and approval mechanism for exceptions?
- (2) Further to the above question, please provide specific data for electric private car procurement through tendering in the past 5 years, including the average number of tenders submitted by suppliers in each tender exercise, the actual number of successful suppliers awarded the contracts and the respective proportions. Furthermore, what were the specific requirements on technical specifications and key vehicle performance indicators in tender documents, such as driving range, battery capacity and charging speed requirements.
- (3) Were the tender prices of all awarded electric vehicle models in the past 5 years the lowest among the tender proposals? If any vehicle model with the lowest tender price was not selected, please provide detailed explanations for each exception, including specific reasons and vetting and approval process. For the awarded models, please specify their advantages over other bidding models. Furthermore, has a follow-up evaluation mechanism been established to verify whether the expected performance of the awarded vehicle models is met?

Asked by: Hon LUK Chung-hung

Reply:

- (1) & (2) The procurement of government electric vehicles is generally conducted through open tendering procedures. For contracts with an estimated total value not exceeding HK\$1.36 million, procurement is conducted by way of quotations. The above arrangement complies with the Government's procurement policy.

For each tender exercise, in addition to publishing the tender notice on the Government Logistics Department (GLD) website and the Government Gazette, GLD also issues invitations to tender to relevant suppliers, including local distributors of Mainland and/or overseas vehicle makes. All interested suppliers are free to submit tenders.

When formulating technical specifications for electric vehicle procurement, GLD takes into account the operational needs of the user bureaux/departments (B/Ds) as well as the market situation, including the latest development and supply of electric vehicles, and provides the information to the Electrical and Mechanical Services Department (EMSD) for formulating the technical specifications. When formulating technical specifications, GLD consults the user B/Ds to ensure the technical specifications meet their operational needs. Details of the key technical specifications for electric private cars procured through open tendering by GLD from 2020 to 2024 are set out at **Annex 1**.

For electric vehicle procurement through open tendering, GLD adopts marking schemes consisting of technical and price assessments. For technical marks, the assessment criteria include vehicle warranty period, safety features (e.g. equipped with curtain airbags, blind spot detection system and lane departure warning system), operational features (e.g. driving range, 360-degree surround view parking camera system and volume of luggage compartment), environmental features (e.g. materials used for manufacturing the vehicles meeting the international standards for recyclability or reusability) and innovative suggestions. Before issuing an open tender, GLD gathers operational requirements from user B/Ds and conducts market researches to formulate technical specifications and technical marking criteria, having regard to the operational needs, market situation and EMSD's professional advice. Details of the procurement of electric private cars through open tendering by GLD from 2020 to 2024 are provided at **Annex 2**.

- (3) The tender submitted by the supplier that meets the technical specifications and other requirements stipulated in the tender and attains the highest combined score (i.e. the sum of price and technical scores) will usually be awarded the contract. Except for tender reference A0600112020, the electric vehicle models of all the contracts awarded in the past 5 years were of the lowest tender price among all conforming tenders received. The vehicle models offered by the successful tenderer for both groups in tender reference A0600112020 were of the second-lowest tender price among all tenders; the vehicle models were more advantageous than that of the lowest tender price in technical aspect, including a longer warranty period, an electronic stability control system, a lane following and keeping assist system, an electrochromic rearview mirror and a longer driving range. The vehicle models attained the highest combined scores in the technical and price assessments and were therefore awarded the contracts.

When delivering new vehicles, EMSD will inspect and accept the vehicles in accordance with the related procurement specifications and contract terms to ensure compliance with the technical specifications and safety requirements set out in the related vehicle procurement contract. Upon delivery of new vehicles to B/Ds, GLD will invite users to provide comments and suggestions on the quality and performance of the vehicles (e.g. vehicle design, performance and safety features, etc.), which will serve as reference for GLD when formulating technical specifications for future procurement of similar vehicle types.

Details of the key technical specifications for the procurement of electric private cars through open tendering by GLD from 2020 to 2024

2020

Tender reference	: A0600112020
Vehicle type	: Electric Private Car (5-seater) (Comprises Group A & Group B)
Net vehicle payload (kg)	: ≥ 300 (Group A) , ≥ 320 (Group B)
Total vehicle power output (kW)	: ≥ 65
Battery capacity (kWh)	: ≥ 35
Driving range (km)	: ≥ 300
Charging efficiency (kW)	: ≥ 6 (Medium) / ≥ 20 (Quick)

2022

Tender reference	: A0600972021
Vehicle type	: Electric Private Car (5-seater) (Comprises Group A & Group B)
Net vehicle payload (kg)	: ≥ 300 (Group A) , ≥ 350 (Group B)
Total vehicle power output (kW)	: ≤ 120 (Group A) , ≥ 120 (Group B)
Battery capacity (kWh)	: ≥ 35 (Group A) , ≥ 60 (Group B)
Driving range (km)	: ≥ 300 (Group A) , ≥ 400 (Group B)
Charging efficiency (kW)	: ≥ 6 (Medium) / ≥ 20 (Quick)

2023

Tender reference	: A0600162023
Vehicle type	: Electric Private Car (5-seater) (Comprises Group A & Group B)
Net vehicle payload (kg)	: ≥ 300
Total vehicle power output (kW)	: ≥ 110
Battery capacity (kWh)	: ≥ 35
Driving range (km)	: ≥ 300 (Group A) , ≥ 400 (Group B)
Charging efficiency (kW)	: ≥ 6 (Medium) / ≥ 20 (Quick)

2024

Tender reference	: A0600252024
Vehicle type	: Electric multi-purpose car (7-seater)
Net vehicle payload (kg)	: ≥ 450
Total vehicle power output (kW)	: ≥ 140
Battery capacity (kWh)	: ≥ 85
Driving range (km)	: ≥ 350
Charging efficiency (kW)	: ≥ 11 (Medium) / > 110 (Quick)

Tender reference	: A0600552024
Vehicle type	: Electric large saloon car (5-seater)
Net vehicle payload (kg)	: ≥ 340
Total vehicle power output (kW)	: ≥ 220
Battery capacity (kWh)	: ≥ 75
Driving range (km)	: ≥ 450
Charging efficiency (kW)	: ≥ 11 (Medium) / ≥ 150 (Quick)

Note 1: GLD did not issue any tender invitation for the procurement of electric private cars in 2021.

Note 2: In addition to the above differences in key technical requirements, other mandatory technical specifications (e.g. roof-top mounted beacon lights, public address system, protective screens or larger luggage compartments for storing equipment, etc.) may apply to individual groups within the same tender depending on the operational needs of individual B/Ds.

Annex 2

Details of the procurement of electric private cars through open tendering by GLD from 2020 to 2024

Vehicle type procured	Number of vehicles to be procured as set out in the tender	Tendering period: [Tender reference]	Number of suppliers submitting bids (Note 1)	Awarded vehicle make/model	Number of successful suppliers
Electric private car	Group A: 40 Group B: 1	10 July 2020 to 25 August 2020 [A0600112020]	Group A: 3 (4 tenders in total) Group B: 2 (3 tenders in total)	Group A: KIA NIRO EV Group B: KIA NIRO EV+	1
Electric private car	Group A: 15 Group B: 66	29 April 2022 to 17 June 2022 [A0600972021]	Group A: 2 Group B: 3	Group A: NISSAN LEAF Group B: KIA NIRO EV LUXURY	2
Electric private car	Group A: 105 Group B: 35	18 August 2023 to 29 September 2023 [A0600162023]	Group A: 1 Group B: 0	Group A: NISSAN LEAF (Note 2) Group B: Nil (Note 3)	1
Electric multi-purpose car	20	19 July 2024 to 4 September 2024 [A0600252024]	4 (5 tenders in total)	DENZA D9	1
Electric large saloon car	2	10 October 2024 to 21 November 2024 [A0600552024]	2	BMW i7 eDrive50	1

Note 1: Since the same supplier may offer more than 1 vehicle model for bidding, the number of suppliers submitting bids may differ from the number of tenders received.

Note 2: As only 1 supplier participated in the tender for Group A and met all the requirements stipulated in the tender documents, GLD awarded the contract to this supplier. The purchase orders for these vehicles were placed in batches at the end of 2023 and in 2024 in accordance with the operational needs of B/Ds.

Note 3: No tender was received from any supplier for Group B and therefore no procurement contract was awarded.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)04

(Question Serial No. SV008)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: Not Specified

Controlling Officer: Commissioner of Inland Revenue (Benjamin CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Will the Inland Revenue Department consider collecting figures on the amount of tax paid by taxpayers who have admitted to Hong Kong under various Talent Admission Schemes, so as to better assess the economic contributions brought to Hong Kong by these schemes?

Asked by: Hon HONG Wen, Wendy

Reply:

The Inland Revenue Department (IRD) collects necessary information from taxpayers through tax returns to perform duties under the Inland Revenue Ordinance (Cap. 112) (IRO), such as making assessments and collecting taxes, etc. As the prevailing IRO does not provide different tax treatments for taxpayers who are admitted to Hong Kong under various Talent Admission Schemes, the IRD considers it inappropriate to require them to provide relevant information in their tax returns. This arrangement also helps keep the tax returns simple and easy to understand.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)05

(Question Serial No. SV009)

Head: (76) Inland Revenue Department

Subhead (No. & title): ()

Programme: Not Specified

Controlling Officer: Commissioner of Inland Revenue (Benjamin CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

By what means will the Inland Revenue Department (IRD) ensure the quality of service by its Chatbot “Iris”? Will the IRD conduct reviews on the system and implement system enhancement?

Asked by: Hon KONG Yuk-foon, Doreen

Reply:

The IRD rolled out a Chatbot named “Iris” on its website in 2021 to answer general enquiries from the public relating to individual tax matters in a real-time interactive manner. The Chatbot mainly provides enquirers with the relevant tax information by identifying keywords in their questions. The IRD will continue to train the Chatbot and explore the adoption of new artificial intelligence technology to further optimise its functions and service quality.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)06

(Question Serial No. S031)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. The “Guidelines on the Management and Control of Government Funding for Subvented Organisations”, reviewed and updated by the Financial Services and the Treasury Bureau (FSTB) in July 2024, merely remind Directors of Bureaux and Controlling Officers to enter into appropriate instruments with relevant subvented organisations to set out the responsibilities of all parties. As the authority responsible for managing government resource allocation, should FSTB have its own practice that it considers appropriate? If yes, what would the practice be; if not, what are the reasons?
2. Will the Government consider explicitly requiring relevant bureaux to sign legally binding service agreements with subvented organisations, having regard to the root causes of problems identified recently by the Public Accounts Committee?

Asked by: Hon KAN Wai-mun, Carmen

Reply:

In response to the recommendations concerning the provision and monitoring of Rehabus services put forward in the Public Accounts Committee (PAC) Report No. 82, the Financial Services and the Treasury Bureau reviewed and updated Financial Circular No. 9/2004 “Guidelines on the Management and Control of Government Funding for Subvented Organisations” (the Guidelines) in July 2024. The Guidelines reminded Directors of Bureaux and Controlling Officers of the need to draw up suitable management measures and arrangements, such as entering into appropriate instruments with individual subvented organisations, after taking into account the differing objectives, nature and circumstances of individual subvented organisations, as well as the subvented services or projects they deliver. Such instruments should, in addition to referencing the Guidelines, set out the responsibilities of all parties and the consequence in case of non-compliance. Given the different operational modes of the subvented organisations, we consider it a pragmatic and desirable arrangement for the relevant Directors of Bureaux and Controlling Officers to devise the most appropriate measures according to actual circumstances and the Guidelines.

In response to the relevant recommendations of the PAC in July 2024, the Transport Department (TD) is reviewing the current arrangements on signing memoranda of understanding with the Rehabus operators. TD is also examining the adoption of a legally binding monitoring and control mechanism (such as signing service agreements) to oversee the Rehabus services more effectively, aiming for completion by 2025.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)07

(Question Serial No. S032)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. Among the 6 seed capital funds to be brought back, 5 of them are established under the Education Bureau, accounting for 85.8% of the total amount to be brought back. In particular, the remaining balance of the Research Endowment Fund (REF) is about \$11 billion. As revealed in a paper of the Panel on Financial Affairs, a review will be conducted in 2028. Given the importance of the Committee on Education, Technology and Talents for the development of Hong Kong's economy, the REF can play an active role in this initiative. If the REF needs funding to meet its objectives in time, will the Government consider adopting a rapid allocation mechanism to facilitate flexible funding injection?
2. Please set out in tabular form the details of the 42 funds (including the establishment dates, policy objectives, modes of establishment, modes of operation, management and control) to assist this Committee in evaluating the appropriateness of designating the 6 seed capital funds, and enhancing the monitoring of the funds' operation.

Asked by: Hon KAN Wai-mun, Carmen

Reply:

1. In regard to the 6 seed capital funds to be brought back, if their cash flow requirements increase due to actual needs in the future, the Government will allocate resources having regard to policy priorities, and make injections into the relevant funds after obtaining approval from the Legislative Council in accordance with the established mechanism.
2. The years of establishment, policy objectives, modes of operation, management and control, and sources of funding other than government injections of the 42 funds are set out at Annex.

**Year of Establishment, Policy Objective, Mode of Operation,
Management and Control and Source of Funding other than Government Injection of the 42 Funds**

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
Seed Capital Fund (23 funds)						
Research Endowment Fund	January 2009	FCR(2008-09)55	To provide recurrent research funding to University Grants Committee (UGC)-funded institutions, and to finance appropriate research projects on specific themes	The principal is placed with the Exchange Fund (EF). The primary income sources are government injections and investment returns.	The fund has been set up as a charitable trust and the Permanent Secretary for Education Incorporated (PSEdI) acts as the trustee of the fund. The UGC is responsible for managing the investment and accounting matters of the fund. The Education Bureau (EDB) submits the fund's financial statements to the Director of Audit and the Legislative Council (LegCo) annually.	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
Community Care Fund (CCF)	January 2011	FCR(2011-12)8	To provide assistance to people facing economic difficulties, in particular those who fall outside the social safety net or those within the safety net but still have some special needs that are not covered. The fund may also consider introducing programmes on a pilot basis to help the Government	The fund is mainly placed with banks as fixed deposits. The primary income sources are government injections, investment returns and public donations.	The fund is a trust fund established under the Secretary for Home Affairs Incorporation Ordinance (Cap. 1 044) (currently Secretary for Home and Youth Affairs Incorporation Ordinance), with the Secretary for Home Affairs Incorporated (currently known as the Secretary for Home and Youth Affairs Incorporated (SHYAI)) as its trustee. The fund is managed by the CCF Secretariat under the Home and Youth Affairs Bureau (HYAB) and overseen by the Commission on Poverty (CoP) and the CCF Task	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			identify those measures that can be considered for incorporation into its regular assistance and service programmes.		Force under the CoP. HYAB submits statements of accounts and/or progress reports of the fund to the Director of Audit and the LegCo annually.	
Hospital Authority Public Private Partnership Fund	March 2016	FCR(2015-16)39	The Hospital Authority (HA) aims to utilise investment returns of the fund for regularising and enhancing clinical Public-Private Partnership (PPP) programmes	The fund is placed with the EF for investment to support the PPP programmes with the investment returns generated by the PPP Fund.	The HA PPP Fund is managed by HA and an HA PPP Fund Management Committee co-chaired by the Chief Executive/HA and the Health Bureau (HKB) has set up to oversee the use of investment returns. HA will provide regular reports on the use of the PPP Fund and outcome of the	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			being undertaken on a pilot basis, as well as developing new clinical PPP initiatives in future so as to alleviate pressure on the public healthcare system.		PPP initiatives for monitoring by HHB. Besides, annual financial statements will be tabled to the LegCo annually.	
Elite Athletes Development Fund	January 2012	FCR(2011-12)42	To provide the Hong Kong Sports Institute with a stable financial source to support the development of elite sports.	The principal is mainly placed with the EF and banks. The primary income sources are government injections and investment returns.	SHYAI is the trustee of the fund and the Culture, Sports and Tourism Bureau (CSTB) oversees its administration having regard to the advice of the Sports Commission. The financial statements will be audited by the	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					Director of Audit and incorporated into the financial report of SHYAI for submitting to LegCo annually.	
Quality Education Fund (QEF)	January 1998	FCR(97-98)81	To finance projects for the promotion of quality education in Hong Kong.	The principal is mainly invested in securities and placed with banks and EF. The primary income sources are government injections and investment returns.	The fund is managed by the EDB, with its trustee being PSEdI. EDB established the QEF Steering Committee to advise the Government on the policies and procedures governing the operation of QEF. The QEF Investment Committee has been set up alongside the QEF Steering Committee to set policies for and to monitor the investment of QEF. EDB submits the fund's financial	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/levy)
					statements to the Director of Audit and LegCo annually.	
Language Fund	February 1994	FCR(1993-94)141	To improve Hong Kong people's proficiency in Chinese (including Putonghua) and English through funding a wide range of initiatives.	The principal is placed with EF. The primary income sources are government injections and investment returns.	The fund is managed by the EDB, with its trustee being the PSEdI. The EDB established the Standing Committee on Language Education and Research to provide advice to the trustee of the fund on the policies and procedures governing the operation of the fund.	No
Environment and Conservation Fund	June 1994	FCR(94-95)26	To provide funding for publicity, educational, research and other projects	The principal is placed with EF. The primary income source is investment returns.	The fund was established under the Environment and Conservation Fund Ordinance (Cap. 450). The Secretary for Environment and	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			and activities in relation to environment and nature conservation.		Ecology is the Trustee of the Fund, and the Environment and Conservation Fund Committee appointed by the Chief Executive advises the Trustee on the manner and extent of using the Fund. The Environment and Ecology Bureau submits annually to LegCo a statement of accounts of the Fund audited and signed by the Director of Audit.	
HKSAR Government Scholarship Fund	March 2008	FCR(2007-08)53	To support the provision of scholarships to outstanding local and non-local students studying in	The principal is mainly invested in securities, placed with banks as fixed deposits and EF. The primary income sources are	The fund is managed by the EDB, with its trustee being the PSEdI. EDB established the Steering Committee of the HKSAR Government Scholarship Fund to	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			full-time publicly-funded programmes at sub-degree or above levels in Hong Kong on an on-going basis.	government injections and investment returns.	advise on the overall strategy and policy pertaining to the administration and development of the fund. The HKSAR Government Scholarship Fund Investment Committee has been set up under the Steering Committee of the HKSAR Government Scholarship Fund to set policies for and to monitor the investment of HKSAR Government Scholarship Fund. EDB submits the fund's financial statements to the Director of Audit and LegCo annually.	

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
Self-financing Post-secondary Education Fund	August 2011	FCR(2011-12)11	To support appropriate initiatives and schemes that aim to enhance the quality of self-financing post-secondary education.	The principal is mainly invested in securities, placed with EF and banks as fixed deposits. The primary income sources are government injections and investment returns.	The fund is managed by EDB, with its trustee being PSEdI. EDB established the Committee on Self-Financing Post-secondary Education to advise the Secretary for Education (SED) on the policy, strategy and administration of the fund. The Self-Financing Post-secondary Education Fund Investment Committee has been set up alongside the Committee on Self-Financing Post-secondary Education to set policies for and to monitor the investment of the Self-Financing	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					Post-secondary Education Fund. EDB submits the fund's financial statements to the Director of Audit and LegCo annually.	
Sir David Trench Fund For Recreation – Arts and Sports Development Fund	January 1997	FCR(96-97)101	To provide funding for programmes that promote the development of arts and sports in Hong Kong. The Sports Portion of the fund currently supports sports projects of the following categories: (1) supporting	The principal is mainly invested in securities and placed with EF and banks. The primary income sources are government injections and investment returns.	The fund is managed by CSTB, with the Director of Accounting Services (DAS) acting as the trustee of the fund. The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			athletes to prepare for and participate in major international games, National Games and competitions of different sports at World and Asian levels; (2) supporting the hosting of international sports events locally by “national sports associations”, sports organisations, private and non-		the fund’s financial statements for submission by CSTB to the Director of Audit and LegCo annually.	

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			governmental organisations, including “M” Mark events and major international sports events; (3) supporting the development of local football; (4) promoting development of team-sports; and (5) supporting other one-off initiatives that are important to the development and promotion			

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			of sports in Hong Kong.			
Students Activities Support Fund	October 2019	FCR(2018-19)58	To support primary and secondary school students with financial needs to participate in life-wide learning activities organised or recognised by schools.	The principal is placed with EF. The primary income sources are government injections and investment returns.	The fund is managed by the EDB, with its trustee being the PSEdI. The Permanent Secretary for Education, as the controlling officer, is responsible for ensuring the prudent management of resources under the fund. The EDB submits the fund's financial statements to the Director of Audit and the LegCo annually.	No
Qualifications Framework Fund	September 2014	FCR(2014-15)3	To support the sustainable development and implementatio	The principal is placed with EF. The primary income sources are government	The fund is managed by the EDB, with its trustee being the PSEdI. The EDB established the Steering Committee on	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			n of Qualifications Framework.	injections and investment returns.	Promotion of Vocational and Professional Education and Training and Qualifications Framework to advise the Secretary for Education (SED) on the policy, strategy and administration of the fund. The EDB submits the fund's financial statements to the Director of Audit and the LegCo annually.	
Gifted Education Fund	June 2016	FCR(2016-17)48	To support the operation of the Hong Kong Academy for Gifted Education and other worthwhile	The principal is placed with EF. The primary income sources are government injections and investment returns.	The fund is managed by the EDB, with its trustee being the PSEdI. The EDB established the Advisory Committee on Gifted Education to advise the SED on the use and management of	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			initiatives and programmes that aim to enhance the quality of gifted education in Hong Kong.		the fund. The EDB submits the fund's financial statements to the Director of Audit and the LegCo annually.	
Beat Drugs Fund (BDF)	March 1996	FCR(95-96)134	To provide financial support to community-wide anti-drug projects so as to sustainably combat drug problem.	The principal is mainly invested in securities and placed with banks and EF. The primary income sources are government injections and investment returns.	BDF is administered by the BDF Association, which is a non-profit-making limited company incorporated under the Companies Ordinance (Cap. 622). A Governing Committee under the chairmanship of the Permanent Secretary for Security is set up to oversee the administration and investment of BDF,	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					consider applications for financial support from BDF and decide on the grants having regard to the recommendations by the Action Committee Against Narcotics. An Investment Sub-committee chaired by DAS is also set up to provide expert advice on the investment of BDF.	
Hong Kong Paralympians Fund	June 2001	FCR(2001-02)16	To foster the development of sports for people with disabilities (PWDs) and support them in their pursuit of sporting excellence in	The principal is mainly placed with EF and invested in securities. The primary income sources are government injections and investment returns.	The fund is held in trust and managed by the Director of Social Welfare Incorporated (DSWI) as the trustee, and is overseen by the Hong Kong Paralympians Fund Management Committee. The	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			international events by providing financial assistance in all stages of their sporting career.		Director of Social Welfare (DSW) submits the fund's financial statements to the Director of Audit and LegCo annually.	
Arts Development Fund for Persons with Disabilities	January 2018	LegCo approved an injection of \$250 million through the approval of the 2018 Appropriation Bill. Please refer to LC Paper No. CB(2)610/1 7-18(01) of the Panel on	To provide funding to organise elementary and continuing arts programmes for PWDs to enable them to access to the arts, unleash their potential, and help talented PWDs cultivate their abilities and	The principal is mainly placed with EF and banks. The primary income sources are government injections and investment returns.	The fund is held in trust and managed by DSWI as the trustee, and is overseen by the Arts Development Fund for Persons with Disabilities Management Committee. DSW submits the fund's financial statements to the Director of Audit and LegCo annually.	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
		Welfare Services.	pursue careers in the arts.			
Sir David Trench Fund For Recreation – Hong Kong Athletes Fund	August 1996	FCR(2020-21)64	To provide grants to support the dual career development of athletes, so as to encourage them to pursue sports excellence and education at the same time and lay a good foundation for building a career after retirement from sports.	The principal is mainly invested in securities and placed with EF. The primary income sources are government injections, investment returns and public donations.	The fund is managed by CSTB, with DAS acting as the trustee of the fund. The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing the fund's financial statements for submission by CSTB to the Director of Audit and LegCo annually.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/levy)
Supplementary Legal Aid Fund	October 1984	FCR(95-96)29	To finance the Supplementary Legal Aid Scheme (SLAS) to provide legal assistance to those persons whose financial resources exceed the limit allowed under the Ordinary Legal Aid Scheme, but below the limit allowed under the SLAS for certain types of civil proceedings.	The fund was established under section 29 of the Legal Aid Ordinance (Cap. 91). The fund operates on a self-financing basis with the primary income sources being government injections, investment returns, contributions paid by applicants upon acceptance of legal aid and contributions deducted from the damages or compensation recovered in the aided proceedings.	The fund is administered by the Director of Legal Aid. The Legal Aid Department submits the Fund's financial statements to the Director of Audit and LegCo annually.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
				Other than funds to meet daily operational needs, the fund is placed with EF and banks as fixed deposits to earn interest income.		
Queen Elizabeth Foundation for the Mentally Handicapped (QEFMH)	July 1988	FCR(87-88)185	To further the welfare, education and training of the mentally handicapped in Hong Kong, the promotion of their employment prospects.	The fund is mainly invested in securities and placed with banks. The primary income source is investment returns.	The Foundation is established under the QEFMH Ordinance (Cap. 399) and managed by the Council of QEFMH (Council) consisting of government officials, a nominee of the Hong Kong Jockey Club and non-official members. The Council should apply the income and assets of the Foundation according to	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					its purpose. The Council should submit its financial statements to the Director of Audit and LegCo annually.	
Sir David Trench Fund For Recreation – Main Fund	February 1970	N/A	For the provision of, or assistance in the provision of facilities for recreational, sporting, cultural and social activities; and such objects ancillary or incidental to the objects set out in paragraph (a) as the Chief	The principal is mainly invested in securities and placed with EF and banks. The primary income source is investment returns. In accordance with the Sir David Trench Fund for Recreation Ordinance (Cap. 1128), no part of the original capital sum shall be expended, applied	The fund is managed by the Sir David Trench Fund Committee, under the supervision of CSTB with DAS acting as the trustee of the fund. The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			Executive may consider appropriate.	or used for any such purpose without the prior approval of LegCo.	the fund's financial statements for submission by CSTB to the Director of Audit and LegCo annually.	
Sir David Trench Fund For Recreation – Sports Aid Foundation Fund	February 1987	N/A	To assist financially needy sportsmen in their pursuit of excellence.	The principal is mainly placed with EF. The primary income sources are transfer of balance of the then Governor's Special Fund, public donations and investment returns.	The fund is managed by CSTB, with DAS acting as the trustee of the fund. The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing the fund's financial statements for submission by CSTB to	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					the Director of Audit and LegCo annually.	
Social Work Training Fund	August 1961	The Secretary for Financial Services and the Treasury (SFST) approved the injection of \$5 million into the fund in 2017 for the first time under delegated authority from Finance Committee (FC).	For financing social workers for the purposes of study and training, including payment of passages, travel and subsistence allowances and other incidental expenses; improving existing training facilities for social workers; operating courses for	The fund was established under the Social Work Training Fund Ordinance (Cap. 1100). The principal is mainly placed with EF and banks. The primary income sources are government injections and investment returns.	The fund is held in trust and managed by DSWI as the trustee, and is managed on the advice of the Social Work Training Fund Committee. DSW submits the fund's financial statements and annual report to the Director of Audit and LegCo annually.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			social workers and payment of related expenses; training of persons for social work in Hong Kong and obtaining advice about training; and achieving relevant purposes for improving the training and skills of social workers in Hong Kong.			
Sir David Trench Fund For Recreation	August 1985	FIN R3/35	To promote sports for	The principal is mainly placed with EF. The primary	The fund is managed by CSTB, with DAS acting as the trustee of the fund.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
– Sports Aid for the Disabled Fund			disabled people.	income sources are public donations and investment returns.	The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing the fund's financial statements for submission by CSTB to the Director of Audit and LegCo annually.	
Non-Seed Capital Fund (19 funds)						
Anti-epidemic Fund (AEF)	February 2020	FCR(2019-20)46	To enhance Hong Kong's capability in	The primary income source is government	Established under the Financial Secretary Incorporation Ordinance	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			combating the COVID-19 epidemic and to provide suitable relief to businesses and individuals hard hit by the pandemic or affected by the Government's anti-epidemic and social-distancing measures.	injection. Funds that are not required for immediate use are placed with banks as fixed deposits with interest earned.	(Cap. 1015) with the Financial Secretary Incorporated (FSI) as its trustee, the AEF operates according to the Declaration of Trust made under the Ordinance. FSI has delegated its powers to the AEF Steering Committee (chaired by the Chief Secretary for Administration) to receive, consider and approve proposals; and to monitor and coordinate matters related to the operation of the AEF. FSI also appointed DAS to handle financial and accounting matters related to AEF, such as opening bank	

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					accounts and keeping proper accounts and records, etc. Audited financial statements will be tabled at LegCo annually.	
Employees Retraining Fund	October 1992	FCR(2013-14)45	For paying retraining allowances to trainees of relevant training courses of the Employees Retraining Board (ERB); and financing ERB to provide market-driven and employment-oriented	The fund was established under the Employees Retraining Ordinance (Cap 423). The major sources of income are investment returns, Employees Retraining Levy and course fees. The principal is mainly placed with EF.	ERB holds the Fund upon trust to administer the Fund in accordance with the objects of the Employees Retraining Ordinance. The full Board of ERB and its Finance and Administration Committee are responsible for monitoring the Fund. The Secretary for Labour and Welfare (SLW) examines and approves	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			training and related services on a long-term basis.		each year the annual plan and budget of the coming financial year submitted by ERB. ERB shall submit annual report, including its statement of the accounts and the auditor's report on the accounts, to the Government. The Government will table the relevant report at LegCo.	
Samaritan Fund	1950	FCR(2012-13)32	To provide financial subsidies to needy patients for meeting the expenses for designated privately purchased	The principal is mainly placed with banks. The primary income sources are government injections, interests and public donations.	The Samaritan Fund is currently administered by the HA and overseen by the Health Bureau (HHB). HHB meets regularly with HA, which is responsible for	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			<p>medical items or self-financed drugs which are not covered by the standard fees in public hospitals / out-patient clinics and are required by the patients during the course of treatment, thereby ensuring the patients are not denied adequate medical care due to lack of means.</p>	<p>To ensure the sustainability of the Samaritan Fund and to maintain sufficient cash flow to support its day-to-day operation, the Hospital Authority (HA) will assess the long-term financial position of the fund on a regular basis.</p>	<p>administering the fund, on the management and operation of the fund to monitor its effectiveness, which includes reviews of the number of approved cases and the amount of subsidies granted, as well as the financial position of the fund. HHB and HA, through established mechanism, reviews the coverage of subsidy and the means test criteria of the fund as appropriate, with a view to providing assistance to needy patients.</p> <p>HA prepares the annual financial statements to the Audit Commission</p>	

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					for audit after the end of each financial year. Within 9 months after the close of the financial year, HA submits the annual financial statements of that year together with Report of the Director of Audit to HHB, which arranges for tabling at LegCo.	
Construction Innovation and Technology Fund (CITF)	October 2018	FCR(2018-19)39	To drive wider adoption of innovative construction methods and technology in the construction industry, and to build up the capacity of	CITF accepts applications all year round and approves fund grants on a monthly basis. Therefore, funding needs to be reserved for disbursement of the relevant subsidy. The remaining	CITF is managed by the Construction Industry Council (CIC) under the supervision of the Development Bureau. The management structure of CITF is divided into three tiers. The top tier is the Steering Committee on CITF (SC-CITF) chaired	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			construction professionals to leverage innovation, with a view to promoting productivity, uplifting build quality, improving site safety and enhancing environmental performance.	balance is placed with banks as fixed deposits.	by the Permanent Secretary for Development (Works). It provides overall steer and decides on the funding principles of CITF and monitors CITF's implementation progress. The second tier is the Management Committee on CITF (MC-CITF), established by CIC with representatives from the industry and other stakeholders to oversee CITF's operation. The third tier consists of four Vetting Subcommittees. They are responsible for approving applications for the four major funding categories under	

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					CITF, and propose enhancement measures for each funding category to MC-CITF to meet the industry needs. CIC is required to submit regular progress reports and statements of accounts of CITF to SC-CITF.	
Traffic Accident Victims Assistance Fund	May 1979	N/A	To provide financial assistance to road traffic accident victims (or to their surviving dependents in cases of death) on a non-means-tested basis,	The fund was established under the Traffic Accident Victims (Assistance Fund) Ordinance (Cap. 229). The principal is mainly placed with EF and banks. The primary income sources are government	The fund is held in trust and managed by DSWI as the trustee, and the Traffic Accident Victims Assistance (TAVA) Advisory Committee advises the DSW on all matters connected with the administration of the TAVA Scheme and the TAVA Fund. DSW submits the fund's financial statements and	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			regardless of the element of fault leading to the occurrence of the accident.	injections, levies on driving and vehicle licences, and investment returns.	annual report to the Director of Audit and LegCo annually.	
Occupational Deafness Compensation Fund	June 1995	N/A	To provide compensation for persons employed in specified noisy occupations who suffer hearing loss as a result of prolonged exposure to excessive noise at work, the reimbursement of expenses on hearing assistive	The fund was established under the Occupational Deafness (Compensation) Ordinance (Cap. 469). The primary income sources are Employees' Compensation Insurance Levies, payment to the Occupational Deafness Compensation Board (ODCB) by	The fund is administered by ODCB and monitored by the Labour Department. ODCB is required to submit to the SLW the estimates of income and expenditure and a programme of activities for each financial year for approval, as well as the annual report for tabling at LegCo.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			devices, and for conducting and financing of relevant educational, publicity and rehabilitation programmes.	the Government in the capacity of employer, interests of bank deposits and investment returns.		
Social Innovation and Entrepreneurs hip Development Fund	September 2013	LegCo approved an injection of \$500 million through the approval of the 2021 Appropriation Bill. Please refer to LC Paper No. CB(1)416/2	To establish or support schemes and experiments with a view to attracting, inspiring or nurturing social entrepreneurship to develop innovations that aim at creating social impact and	The fund was established in form of a trust with allocation from the Lotteries Fund, and subsequently received government injections. The principal is mainly placed with banks as fixed deposits.	The Digital Policy Office oversees the operation of the fund. A Task Force was set up under the Commission on Poverty to advise on policy, procedural and administrative matters relating to the fund's operation. The fund's financial statements will be audited by the Audit Commission annually.	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
		0-21(03) of the Panel on Information Technology and Broadcasting.	build social capital for supporting poverty relief in Hong Kong.			
The Cantonese Opera Development Fund	March 2005	FCR(2010-11)28	To support and fund projects and activities relating to the study, promotion and continuing development of Cantonese opera.	The fund is mainly placed with banks and invested in securities. The primary income sources are government injections, investment returns and public donations.	SHYAI is the trustee of the fund and CSTB oversees its administration having regard to the advice of the Cantonese Opera Development Fund Advisory Committee. The financial statements will be audited by the Director of Audit and incorporated into the financial report of	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					SHYAI for submitting to LegCo annually.	
Emergency Relief Fund	May 1962	N/A	To provide prompt assistance for persons who are in need of urgent relief as a result of fire, flooding, tempest, landslide, typhoon or other natural disasters.	The fund was established under the Community Relief Trust Fund Ordinance (currently Emergency Relief Fund Ordinance (Cap. 1103)) The principal is mainly placed with EF and banks. The primary income sources are government injections, investment returns and public donations.	The fund is held in trust and managed by DSWI as the trustee, and is utilised in accordance with the advice of the Emergency Relief Fund Committee. DSW submits the fund's financial statements and annual report to the Director of Audit and LegCo annually.	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas	July 2008	FCR(2008-09)40	To provide funding for purposes in support of the reconstruction in the Sichuan earthquake affected areas for the relieving and rehabilitation of victims.	The fund is mainly placed with banks as fixed deposits to earn interest income. The primary income sources are government injections and public donations.	The fund is a trust fund established under the Secretary for Home Affairs Incorporation Ordinance (Cap. 1 044) (currently Secretary for Home and Youth Affairs Incorporation Ordinance), with the Secretary for Home Affairs Incorporated (currently known as SHYAI) as its trustee. The Steering Committee on the Hong Kong Special Administrative Region's Support for Reconstruction in the Sichuan Earthquake	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					Stricken Areas ¹ would decide on the policies and modus operandi relating to the release of funds under the fund in support of the reconstruction work, resolve on the actual amount allocated to the subsidised bodies and monitor the use of funds. HYAB is responsible for handling the accounting matters of the fund and submits statements of accounts of the fund to the Director of Audit and LegCo annually.	

¹ The relevant matters handled by the Steering Committee on the Hong Kong Special Administrative Region's Support for Reconstruction in the Sichuan Earthquake Stricken Areas have been taken up by the Steering Committee on Co-operation with the Mainland.

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
The AIDS Trust Fund (ATF)	April 1993	FCR(2013-14)39	To provide assistance to HIV-infected haemophiliacs and generally to strengthen medical and support services and public education on AIDS.	The principal is placed with banks. The primary income sources are government injections and interest returns.	The Financial Secretary, as the Trustee of ATF, has delegated his powers to Secretary for Health to disburse the fund to the recipients upon recommendations by the Council for the ATF and appointed DAS to keep the accounts and records of all transactions in respect of the Fund. In accordance with the Declaration of Trust for the ATF, the annual accounts of the ATF together with the Report of the Director of Audit are tabled at LegCo.	No
J. E. Joseph Trust Fund	February 1954	N/A	To provide loan services to	Established under the J. E. Joseph	The Registrar of Co-operative Societies (i.e.,	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			farmers' co-operative societies and farmers based on their agricultural production needs.	Trust Fund Ordinance (Cap. 1067) and operates as a trust fund. The major income sources are government grants, investment returns, and donations. The principal is placed with banks.	the Director of Agriculture, Fisheries and Conservation) is the fund's trustee. Operation of the fund is overseen with the assistance of the Kadoorie Agricultural Aid Loan Fund Committee. The fund's audited statement of accounts and annual reports are submitted to LegCo for review each year.	
Pneumoconiosis Ex Gratia Fund	July 1993	FCR(93-94)69	To provide ex gratia payments to persons who were diagnosed before 1981 as suffering from	The fund is mainly placed with banks as fixed deposits. The primary income sources are government injections and	The fund was established in accordance with the Memorandum of Understanding signed between the Government and the Pneumoconiosis Compensation Fund	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			pneumoconiosis, and family members of these persons who died of the disease	interests from bank deposits.	Board (PCFB). The Labour Department monitors the fund and approves its estimates of income and expenditure. PCFB administers the fund and submits its financial statements to the Director of Audit. SLW tables the fund's annual report at LegCo annually.	
Kadoorie Agricultural Aid Loan Fund	July 1955	N/A	To provide loan services to farmers and fish farmers based on their agricultural and fishery production needs.	Established under the Kadoorie Agricultural Aid Loan Fund Ordinance (Cap. 1080) and operates as a trust fund. The major income sources are government grants,	The Director of Agriculture, Fisheries and Conservation is authorised as the fund's trustee. The fund is managed and overseen by the Kadoorie Agricultural Aid Loan Fund Committee. The fund's audited statement	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
				investment returns, and donations. The principal is placed with banks.	of accounts and annual reports are submitted to LegCo for review each year.	
Elder Academy Development Foundation (EADF)	September 2009	SFST approved the injection of \$10 million into the fund in 2009 for the first time under delegated authority from FC.	To support the sustainable development of the Elder Academy Scheme and promote active ageing.	The fund is mainly invested in securities and placed with banks as fixed deposits. The primary income sources are government injections, investment returns and public donations.	EADF was established in the form of a trust with DSWI as the trustee. The Committee on EADF, with secretariat support from the Labour and Welfare Bureau and accounting support from the Social Welfare Department (SWD), is responsible for managing the fund. The financial statements will be audited by the Director of Audit and incorporated into the financial statements of	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					DSWI for submitting to LegCo annually.	
The Trust Fund for Severe Acute Respiratory Syndrome	November 2003	FCR(2003-04)44	To provide special ex-gratia assistance to those dependent family members of the deceased severe acute respiratory syndrome (SARS) patients, some recovered SARS patients as well as suspected SARS patients treated with	The fund is mainly placed with banks. The primary income sources are government injections and investment returns.	The fund is held in trust and managed by DSWI as the trustee, and is overseen by the Committee on Trust Fund for Severe Acute Respiratory Syndrome. DSW submits the fund's financial statements to the Director of Audit and LegCo annually.	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			steroids suffering from longer term effects.			
Consumer Legal Action Fund	November 1994	FCR(94-95)60	To provide legal assistance to consumers for cases involving significant public interests, and to assist consumers to claim compensation through legal action.	The principal is placed with banks. The primary income sources are government injections, deposit interest, application fees from the assisted consumers, legal costs recovered from defendants in successful cases and a contribution of 10% of the benefits gained by the assisted consumers from	<p>The Fund was established in form of a trust, with the Consumer Council (CC) as the Trustee. The fund is managed by CC through the Board of Administrators and overseen by the Commerce and Economic Development Bureau (CEDB).</p> <p>The Board of Administrators is responsible for the administration of the fund and vets</p>	Yes

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
				each successful case, etc.	applications based on the recommendations of the Management Committee (of which the members are appointed by CEDB). CEDB submits annually the financial statements and annual report of the fund to LegCo.	
Hong Kong Arts Development Council Fund	March 1994	FCR(93-94)149	The Hong Kong Arts Development Council (HKADC) may utilise the fund for purposes within the scope permitted by the Hong Kong Arts Development	The fund is placed with banks. The primary source of income is investment returns.	The fund is managed by HKADC.	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
			Council Ordinance (Cap. 472) that align with HKADC's founding objectives.			
Sir David Trench Fund For Recreation – Arts Development Fund	May 1993	FCR(93-94)29	To enhance the development of the arts and culture in Hong Kong.	The fund is placed with banks. The primary income sources are government injections and investment returns.	The fund is managed by CSTB, with DAS acting as the trustee of the fund. The Investment Advisory Committee of the Sir David Trench Fund For Recreation is responsible for advising on the investment policy of and monitoring the investment performance of the fund. DAS, as the trustee of the fund, is responsible for preparing the fund's financial statements for	No

Fund	Year of Establishment	Relevant Finance Committee Paper	Policy Objective	Mode of Operation	Management and Control	Whether funding other than government injection is involved (e.g. donation/ levy)
					submission by CSTB to the Director of Audit and LegCo annually.	

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)08

(Question Serial No. S033)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. It is anticipated that the repayment of government bonds for the years from 2025-26 to 2029-30 will amount to approximately \$500.7 billion, with the actual amount due being \$227.25 billion. Why is it estimated that there will be \$273.45 billion of bonds which have yet to be issued but will be due in the respective years? Has any assessment been made on the appropriateness of the Government's plan to issue short-term bonds under the current fiscal situation as these bonds require short-term debt repayment?
2. Why does the Government not issue more medium- and long-term bonds with a view to supporting the development of the Northern Metropolis (including the Loop) and at the same time reducing the amount of government bonds expected to be repaid in the Medium Range Forecast period (i.e. 2025-26 to 2029-30)?

Asked by: Hon KAN Wai-mun, Carmen

Reply:

It is expected that a total of about \$150 billion to \$195 billion worth of bonds will be issued under the Infrastructure Bond Programme (IBP) and the Government Sustainable Bond Programme (GSBP) every year during the five-year period from 2025-26 to 2029-30.

In projecting the repayment amount of government bonds from 2025-26 to 2029-30, the Government has taken into account the past issuance pattern and types of bonds issued (including retail bonds) and estimated that bonds with different tenors would be issued in the coming five years. However, in implementing the bond issuance plan each year, the Government will consider the prevailing market conditions (e.g. formation of the yield curve, market demand and costs) to determine bond issuance parameters, including tenor. The Government is actively exploring the issuance of more longer-tenor bonds to dovetail with longer-term infrastructure projects, and providing more investment options for long-term investors.

The implementation of the IBP and the GSBP is overseen by the Steering Committee chaired by the Financial Secretary. The bond issuance parameters will be determined based on the prevailing Government financial conditions, market response and works progress at the time of bond issuance and will be subject to approval by the Steering Committee.

- End -

CONTROLLING OFFICER'S REPLY

S-FSTB(Tsy)09

(Question Serial No. S035)

Head: (147) Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)

Subhead (No. & title): ()

Programme: (2) Revenue and Financial Control

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Treasury) (Andrew LAI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in the reply that “subject to the relevant legislation or the funding agreement, a subvented organisation may retain its subvention surplus in a reserve. Controlling Officers of relevant bureaux or departments should set for subvented organisations a reasonable ceiling on the level of reserve. Any surplus in excess of the reserve ceiling should be returned to the Government or offset from next year’s subvention. As the mode of operation and financial position of subvented organisations vary, we do not consider it appropriate to set a uniform level for all reserve ceilings.” While agreeing with this underlying principle, I would like to raise further questions and give suggestions as follows:

1. Do the bureaux and departments regularly review the reserve ceilings of their subvented organisations?
2. In the past five years, what are the figures and examples on subvented organisations returning the surplus in excess of the reserve ceiling to the Government or having such surplus offset from next year’s subvention?
3. In light of the current economic situation and fiscal deficit, will the Government consider issuing guidelines or instructions to bureaux and departments, requiring them to pragmatically re-examine the reserve ceilings and the returning/offsetting arrangements for their subvented organisations?

Asked by: Hon TSE Wai-chuen, Tony

Reply:

- 1.&3. The Financial Services and the Treasury Bureau has issued guidelines on the management and control of Government funding for subvented organisations to bureaux and departments to ensure that public money is used properly and cost-effectively. Controlling Officers (COs) should ensure that subvented organisations are operated in a cost-effective manner, and should examine their budgets (including reserve levels and ceilings) when deciding on the grant of subvention. After taking into account the actual circumstances, COs have been setting appropriate reserve ceilings for the subvented organisations and have timely reviewed the ceilings and the respective return or offset arrangements.
2. In the past five years, figures on subvented organisations returning surpluses in excess of the reserve ceilings to the Government or by way of offsetting from next year's subvention are tabulated below:

**Number of subvented organisations returning surpluses in excess of the
reserve ceilings to the Government/or by way of offsetting from next year's
subvention and the amounts involved
(from 2020-21 to 2024-25)**

Year	Number of organisations	Amount (\$)
2020-21	108	873,915,865
2021-22	108	1,027,635,878
2022-23	93	523,270,647
2023-24	50 ^{Note 1}	73,535,176
2024-25	Not available ^{Note 2}	

Note 1: The figure does not include some of the subvented organisations whose annual financial reports for 2023-24 are still under review.

Note 2: Information is not available for 2024-25 as the annual financial reports for the year are not yet due for submission.

Taking 2023-24 as an example, subvented organisations which returned the surpluses in excess of the reserve ceilings to the Government/or by way of offsetting from next year's subvention included 28 non-governmental organisations providing subvented welfare services under the Social Welfare Department's Lump Sum Grant Subvention System, amounting to \$15,407,140. For details, please refer to Annex 2 to the 2025-26 Reply Serial No. LWB(W)050.

- End -