

LegCo Panel on Financial Affairs

**Follow-up to meeting on 5 November 2001
Permanent Accommodation for the Hong Kong Monetary Authority**

With regard to the letter from the Financial Secretary's Office to the Panel dated 3 September 2001, members sought explanation for the Chief Executive's decision to approve the expenditure for the purchase of the office accommodation in question for HKMA to be charged to the Exchange Fund under section 6(b) of the Exchange Fund Ordinance (Cap. 66). The explanation should include justifications for regarding the expenditure as incidental and necessary for the due performance of duties laid upon the Financial Secretary and the Exchange Fund Advisory Committee in connection with the operation of the Fund.

2. The Administration was also requested-
 - (a) to confirm whether the Government had taken into account the views and sentiments of the community towards the then proposed purchase of office accommodation for HKMA before making its decision to complete the purchase agreement;
 - (b) to confirm whether in the course of completing the purchase of the office accommodation in question or at any earlier stage, the Director of Lands had been involved in assessing the value of the office premises to be acquired, and if the answer is in the affirmative, to provide the assessment results;
 - (c) to clarify the legal identity of the purchaser of the office accommodation in question;
 - (d) to confirm whether the control and management of the office accommodation in question falls under the purview of the Government Property Administrator; and
 - (e) to clarify the details of the expenditure for fitting out the office accommodation in question including systems and equipment and to confirm if that expenditure would require the approval of the Legislative Council or the Finance Committee; and if the answer is in the negative, to provide an explanation as to why it would not be necessary.