

**DRAFT**

**LEGCO QUESTION NO. 5**  
(Oral Reply)

**"Subject to the actual answer given at the Council Meeting"**

Asked by Hon Albert HO Chun-yan Date of meeting : 17 January 2007

Replied by : Secretary for Constitutional Affairs

**Question**

Concerning avoidance of conflict of interests by principal officials, will the Government inform this Council:

- (a) as it is stipulated in paragraph 5.4 of the Code for Principal Officials under the Accountability System ("the Code") that "Principal officials shall report to the Chief Executive any private interests that might influence, or appear to influence, their judgement in the performance of their duties", of the cumulative number of such reports made by various principal officials to the Chief Executive since the implementation of the Code, as well as the details of such reports;
- (b) taking a principal official jointly buying a race horse with someone from the business sector as an example, whether the Government has assessed if such an act may give rise to potential conflict of interests despite that it falls outside the realm of public affairs, and thus should be declared or prohibited; if an assessment has been made, of the results of the assessment; and
- (c) whether it will consider amending the Code to stipulate more clearly that principal officials should keep, in their private association, suitable distance from stakeholders in the relevant sectors under their respective portfolios, for instance, to provide that principal officials should avoid undertaking any joint dealings with such persons, such as buying horses, or participating in any socializing activities which may help promote personal friendship, so as to avoid the public forming an impression of possible transfer of interests; if it will, of the details; if it will not, the reasons for that?



Q5

Reply

(Madam) President,

Our reply to the question raised by the Hon Albert HO Chun-yan is as follows.

Chapter 5 of the Code for Principal Officials under the Accountability System ("the Code") has already set out the requirements to prevent conflict of interest and requirements on declaration and handling of investments or interests.

The relevant requirements relating to declaration of interests under the Code include:

- (i) Principal Officials are required, annually, to file declarations on their investments and interests, the contents of which can be made available for public inspection. This enables the public to scrutinise the investments and interests held by Principal Officials [Clause 5.6 of the Code];
- (ii) Principal Officials are required to report to the Chief Executive any private interests that might influence, or appear to influence, their judgement in the performance of their duties [Clause 5.4 of the Code].

All Principal Officials have declared their interests by completing the "Registration of Interests and Affiliation with Political Parties for Public Inspection" within fourteen days after their appointment and annually before the fifteenth day of July thereafter as required. "Interests" declared include land and buildings (including self-occupied property); proprietorships, partnerships or directorships; and shareholdings of 1% or more of the issued share capital in any company (both listed and unlisted).

By referring to the information provided by Principal Officials annually in their "Registration of Interests and Affiliation with Political Parties for Public Inspection", members of the public can have access to details of the declarations.

Chapter 5 of the Code also stipulates that Principal Officials shall observe the principles of fairness and impartiality in discharging their duties, and shall refrain from handling cases with actual or potential conflict of interest.

Currently, the Administration does not have any plan to amend the Code.