

商務及經濟發展局局長

香港雪廠街
中區政府合署



**SECRETARY FOR COMMERCE
AND ECONOMIC DEVELOPMENT**

Central Government Offices,
Ice House Street,
Hong Kong

Tel No. 2810 2178

Fax No. 2147 3873

26 March 2008

Chairman
Public Accounts Committee
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong
(Attn : Ms Serena Chu)

Dear Ms Chu,

**The Director of Audit's Report on the
Hong Kong Tourism Board
Report No. 49, Chapter 5**

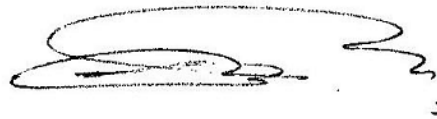
Thank you for your letter of 19 March 2008.

Since the establishment of the Hong Kong Tourism Board (the Board) in 2001, the Government has not entered into any tailor-made instrument with it for exercising funding control.

As provided under the Hong Kong Tourism Board Ordinance (Cap 302), the Commissioner for Tourism (CT), in common with other members of the Board, are to pursue the Board's statutory objects, and to exercise collectively the powers of the Board as prescribed in the said Ordinance. These include, amongst other, drawing up the Board's budget and ensuring the proper use of public funds allocated to the Board. Together with other members of the Board, CT seeks to ensure that adequate internal procedures and processes are in place to achieve good corporate governance. In performing these functions, CT shares her views with the Board, its Committees and the Management on the Management's proposals and its implementation progress, based on the information provided by the Management. It is the responsibility of the senior management to ensure compliance and report any exceptions to the Board.

From time to time, CT reports to, and seeks guidance from, the then Permanent Secretary for Economic Development and Labour (Economic Development) and presently the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) on matters concerning the Board, including its budget proposals and its use of public funds. In so doing, CT supports the Permanent Secretary concerned in performing her role as the Controlling Officer for the subvention to the Board.

Yours sincerely,



(Frederick S. Ma)

Secretary for Commerce and Economic Development

cc Secretary for Financial Services and the Treasury Fax : 2537 1736
Permanent Secretary for Commerce and Economic Development
(Commerce, Industry and Tourism) Fax : 2869 4413
Commissioner for Tourism Fax : 2121 8791
Executive Director, Hong Kong Tourism Board Fax : 2807 6411
Director of Audit Fax : 2824 2087