



17 July 2009

By Fax & Email

Ms Noel Sung
Clerk to Panel
Legislative Council Building
8 Jackson Road
Central
Hong Kong

CB(1)2335/08-09(02)

Dear Ms Sung,

Panel on Financial Affairs
Follow-up to the Special Meeting on 18 June 2009

I refer to your letter of 19 June 2009.

The Financial Secretary has announced today to appoint Mr Norman Chan as the Monetary Authority for a fixed term of five years with effect from 1 October 2009.

The press release and the statement of the Financial Secretary in both Chinese and English are attached for your reference. The Financial Secretary's statement should have addressed most of the issues under Item 2 of the list of follow-up actions attached to your letter of 19 June 2009.

Yours sincerely,

(Freely K Cheng)
Administrative Assistant to
Financial Secretary

Encl.

委任香港金融管理局總裁

財政司司長曾俊華今日(七月十七日)宣布委任陳德霖先生為金融管理局總裁，十月一日生效。

曾俊華表示：「Norman 對香港金融市場運作和銀行監管有深入認識，也了解國際和內地市場的情況，可以協助我管理好外匯基金，及就貨幣政策和金融運作，向我提供切合形勢和最恰當的專業意見。」

「此外，Norman 亦具備豐富的公共行政管理經驗，而且非常熟悉政府運作，是出任金管局總裁的理想人選。」

曾俊華又表示，他在諮詢外匯基金諮詢委員會轄下的管治委員會的意見後，決定將新任總裁的任期定為五年。

至於薪酬方面，決定將金管局總裁的固定年薪定為六百萬元，並在他的五年任期內不會作出調整，而根據表現決定的浮動薪酬則設定上限，首年為一百五十萬元。新的薪酬水平將比較現任總裁的薪酬水平低百分之三十二。

至於金管局總裁離任後的就業限制，財政司司長決定將新任總裁離職後的管制期，由六個月延長至一年。

財政司司長亦希望藉此機會，感謝任志剛先生多年來對香港所作的貢獻，並祝願 Joseph 離任後生活愉快。

陳德霖簡歷

陳德霖先生現年五十五歲。他於一九七六年加入香港政府政務主任職系，並於一九九一年被委任為外匯基金管理局副局長。一九九三年陳先生成為金管局助理總裁，並在一九九六年至二零零年五月期間擔任副總裁一職。二零零五年十二月至二零零七年六月，他出任渣打銀行亞洲區副主席一職。他在二零零七年七月被委任為行政長官辦公室主任。

-- 完 --

財政司司長辦公室

2009年7月17日

Press Release

FS announces appointment of new Chief Executive of Hong Kong Monetary Authority

The Financial Secretary, Mr John C Tsang, today (17 July) announced the appointment of Mr Norman Chan as the Chief Executive of the Hong Kong Monetary Authority (HKMA) with effect from October 1, 2009.

Mr Tsang said: “Norman has a deep understanding of Hong Kong’s financial markets and banking supervision. He is also conversant with the operation of the financial markets overseas and in the Mainland.”

“He will be able to assist me in managing the Exchange Fund effectively and provide me with professional advice in the area of monetary policy and other financial matters.”

“In addition, Norman has wide experience in public administration and is familiar with the operation of the Government.”

“He is an ideal person for this position.”

The Financial Secretary said that after consultation with the Governance Sub-Committee of the Exchange Fund Advisory Committee, he has decided to fix the term for the new HKMA Chief Executive at five years.

He has also decided to set the annual fixed pay of the new HKMA Chief Executive at \$6 million, applicable throughout his five-year term. The maximum level of the performance linked variable pay will be set at \$1.5 million for the first year. The total pay package of the new HKMA Chief Executive will be 32 per cent lower than that of the incumbent.

The Financial Secretary has also decided to extend the post-termination control period of the new HKMA Chief Executive from six months to a year.

The Financial Secretary took the opportunity to thank Mr Joseph Yam for his contributions over the years to Hong Kong, and wish him well in his future endeavors.

Biography of Mr Norman T.L. Chan

Aged 55. Mr. Chan joined the Administrative Services of the Hong Kong Government in 1976. In 1991, he was appointed Deputy Director (Monetary Management) of the Office of the Exchange Fund. He became an Executive Director of the HKMA in 1993 and served as Deputy Chief Executive of the HKMA between 1996 and May 2005. In December 2005 - June 2007, Mr. Chan joined the Standard Chartered Bank as Vice Chairman, Asia. He was appointed Director of the Chief Executive Office of the Hong Kong Government in July 2007.

Ends

Financial Secretary Private Office
17 July 2009

財政司司長發言稿
(2009年7月17日)

- 我現在宣布委任陳德霖先生為香港金融管理局總裁，十月一日生效。
- Norman 曾經在金管局工作，對香港金融市場運作和銀行監管有深入的認識，也了解國際和內地市場的情況，日後可以協助我管理好外匯基金，以及就貨幣政策和金融運作向我提供切合形勢和恰當的專業意見。
- 另外，Norman 具備豐富的公共行政管理經驗，同時亦非常熟悉政府的運作，是出任金管局總裁的理想人選。
- 我曾經承諾在完成任命程序之後，會全盤公布整個過程和所有的決定，我想在今日跟大家詳細講一下。
- 我與現任總裁任志剛先生於2007年8月底達成共識，大家同意 Joseph 任期於2009年9月底終止。
- 我隨即邀請「外匯基金諮詢委員會」轄下的「管治委員會」，參考究海外聘任中央銀行總裁的經驗，就任期向我作出建議。「管治委員會」在2008年7月間向我提出有關的意見。
- 我在2008年8月邀請馮國經博士、張建東博士和龐約翰爵士，就新任總裁的人選，向我提供意見。同時，我亦邀請了已退休的人事顧問唐裕年先生協助有關的工作。
- 小組於2008年年底完成工作，他們考慮了39名人選，包括來自金管局、監管機構、銀行界及學術界，亦有政府官員。小組最後向我建議了一份八人名單，並且列明了人選的優先次序。Norman 是首選。

- 我在今年二月，再次邀請「管治委員會」，就新總裁的薪酬及服務條件，提出建議。委員會在三月向我提交意見。我考慮過委員會的意見之後，在本年五月與 Norman 接觸，向他發出口頭的邀請，並於七月十日正式發出聘任信，Norman 在同日回覆接受。
- 就金管局總裁的任期、聘任條件，我在諮詢「管治委員會」的意見之後，決定以下的新安排：
 - (1) 我決定將新任總裁的任期定為五年；
 - (2) 我決定將新任總裁的固定年薪定為 600 萬元，並在他的五年任期內不會作出調整，而根據表現決定的浮動薪酬設訂上限，首年定為 150 萬元。新的薪酬水平較現任總裁的薪酬水平調低了 32%；及
 - (3) 我決定將新任總裁離職後的管制期，由六個月延長至一年。
- 最後，我希望借這個機會多謝 Joseph 多年來對香港的貢獻，並祝願 Joseph 生活愉快。

-- 完 --

財政司司長辦公室
2009 年 7 月 17 日

Speaking notes for FS
for the appointment of new Chief Executive of HKMA
(17 July, 2009)

- Ladies and Gentlemen, I wish to announce the appointment of Mr Norman Chan as the Chief Executive of Hong Kong Monetary Authority (HKMA) with effect from October 1 this year.
- Norman has previously worked in HKMA, and has a deep understanding of the operation of Hong Kong's financial markets and banking supervision. He is also familiar with the conditions of the international financial market and markets in the Mainland.
- He will be able to assist me in managing the Exchange Fund effectively. He can also offer sound professional advice to me in respect of our monetary policy and market operations.
- Norman possesses wide experience in public administration and is familiar with the operation of the Government. He is the right person for the job.
- I shall now give you a full account of the process and the decisions as I have promised earlier.
- Mr Joseph Yam and I reached consensus back in August 2007 that Joseph's appointment as the Chief Executive of HKMA would end in September 2009.
- I subsequently asked the Governance Sub-Committee of the Exchange Fund Advisory Committee to study experiences overseas and advise me on the duration of the term of office of the new Chief Executive of HKMA. The Sub-Committee reverted to me in July 2008.
- In August 2008, I invited Dr Victor Fung, Dr Marvin Cheung and Sir John Bond to recommend to me suitable candidates for the post. I also invited Mr Martin Tang, a retired human resource specialist, to assist them in their work.
- The group completed their task towards the end of 2008. They have altogether considered 39 people from HKMA, regulatory agencies, banks, academia and government, and shortlisted eight people in order of priority. Norman came top of the list.

- In February this year, I invited the Governance Sub-Committee to make recommendations on the new Chief Executive of HKMA's remuneration and conditions of service. The Sub-Committee gave me their recommendations in March this year. After considering the views of the Sub-Committee, I sounded Norman out in May this year, and I formally offered him the position on 10 July. On the same day, Norman accepted the appointment.
- As to the new HKMA Chief Executive's appointment, and his terms and conditions of service, I have decided to make the following new arrangements :
 - (1) fix the term of appointment at five years;
 - (2) set the annual fixed pay at \$6 million, applicable throughout the five-year term. The maximum level of the performance linked variable pay will be set at \$1.5 million for the first year. The total pay will be reduced by 32% as compared with that of the incumbent; and
 - (3) extend the post-termination employment control period from six months to a year;
- Finally, I wish to take this opportunity to thank Joseph for his contributions over the years to Hong Kong, and wish him well in his future endeavours.

~~~ Ends ~~~

Financial Secretary Private Office  
17 July 2009