

LS/B/16/08-09
2869 9457
2877 5029

By Fax (2527 0790)

18 May 2009

Miss Natalie Li
Principal Assistant Secretary for Financial Services and
Treasury (Financial Services)5
Financial Services and the Treasury Bureau
18/F, Tower 1
Admiralty Centre
18 Harcourt Road
Hong Kong

Dear Miss Li,

**Subcommittee on Proposed Resolutions under
Section 29 of Cap. 2 and Section 3 of Cap. 61**

I am looking at the legal and drafting aspects of the abovementioned resolutions and would be pleased if you advise on the following matters.

Section 29(1) of the Public Finance Ordinance (Cap. 2) provides as follows -

"The Legislative Council may by resolution provide for the establishment of funds to which moneys appropriated for the purpose, and such other moneys received for the purposes of the Government as may be specified in the resolution, may be credited and from which moneys may, under the authority of a funds warrant issued by the Financial Secretary, *be expended for the purposes for which the funds were established* subject to such conditions, exceptions and limitations as may be specified in the resolution."

Please identify the specific provision(s) in the proposed resolution under section 29 of Cap. 2 which sets out the "purposes for which the funds were established" as provided in section 29(1) of Cap. 2.

Would the Administration consider it more appropriate to expressly spell out in the resolution the purpose(s) for which the Bond Fund is established so as to provide a convenient reference of the expenditure aspect of the resolution to section 29(1) of Cap. 2?

I look forward to your reply in bilingual form before 21 May 2009.

Yours sincerely,

Kitty Cheng
Assistant Legal Adviser

cc. Legal Adviser
CCS(1)5