

財經事務及庫務局
(庫務科)

香港下亞厘畢道
中區政府合署



FINANCIAL SERVICES AND THE
TREASURY BUREAU
(The Treasury Branch)

Central Government Offices,
Lower Albert Road,
Hong Kong

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BY FAX

19 May 2009

Ms Kitty Cheng
Assistant Legal Adviser
Legislative Council
Legislative Council Building
8 Jackson Road
Central, Hong Kong
Fax: 2877 5029

Dear Ms Cheng,

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

Thank you for your letter of 18 May 2009.

Pursuant to section 29(1) of the Public Finance Ordinance (Cap.2), paragraphs (e)(i) and (e)(ii) in the proposed resolution under section 29 of Cap.2 set out the purposes for which the Bond Fund is to be established and moneys in the Bond Fund may be expended. To recapitulate, paragraphs (e)(i) and (e)(ii) of the proposed resolution under section 29 of Cap.2 provide that –

“(e) the Financial Secretary may expend money from the Fund for
the purposes of -

- (i) repaying or, if appropriate, paying the principal of, interest on, and expenses incurred in relation to, any sums that have been borrowed under section 3 of the Loans Ordinance (Cap.61) for the purposes of the Fund;
- (ii) investing in the manner the Financial Secretary may determine, and paying the expenses incurred in relation to the investments;”

This approach in reflecting the purposes of the Bond Fund is in line with that in other resolutions for establishment of funds under section 29(1) of Cap.2.

Yours sincerely,



(Miss Ann Chan)
for Secretary for Financial Services
and the Treasury

c.c. DoJ	(Attn: Mr Yung Lap Yan)	2523 5104
	(Attn: Mr Michael Lam)	2523 5104