

For information on 6 February 2009

**Legislative Council Panel on Home Affairs**  
**– Response to Questions on the**  
**Arts and Sport Development Fund (ASDF)**

**Purpose**

This paper sets out for Members' information the Administration's response to the questions Members have on the ASDF and other related questions on funding for the arts and sports.

**Private Sector Support for Arts and Sports Activities**

*Support for Arts Activities*

2. We subscribe to the view that a sustainable development of the arts not only relies on government support but also corporate and community support as well as audience support. In the Recommendation Report (I) of the Committee on Performing Arts (CPA) published in June 2006, the CPA has recommended that '... community involvement in the arts is crucial to the sustainable development of the arts scene, the Government, individual arts groups and the sector as a whole should work harder to solicit resources from the community, in particular, the business sector.'. We have since worked with the Hong Kong Arts Development Council (HKADC) to develop possible strategies to garner corporate and community support for the arts.

3. Under the HKADC Arts Development Awards, we have a category called the Awards for Arts Sponsorship to recognize the contribution of sponsors to arts development in Hong Kong. In the 2008 Policy Agenda, mention is made that support will be given to the HKADC to establish the first Hong Kong Arts Community Fund (the Fund) to garner public and corporate support for culture and the arts. The HKADC has now finalized the trust deed of the Fund and is developing a work plan to solicit private sector donation and sponsorship for the arts before the Fund is formally launched later in 2009/10. The Fund has been granted charitable status for tax exemption purpose under Section 88 of the Inland Revenue Ordinance (Cap. 112) to further attract corporate and community support. The Home Affairs Bureau will continue to work closely with the HKADC in devising fundraising strategies and also to explore complementary policy measures to encourage private sector support for culture and the arts.

### *Support for Sports Activities*

4. It remains our policy to encourage the business community to support sports development in Hong Kong.

5. For example, since 2004, we have, through the “M” Mark system matching funds and other forms of support, encouraged the sports sector to raise sponsorship from the private sector to support the hosting of major international sports events. As a result, 30 major sports events had been awarded the “M” Mark status, of which 14 were supported by matching funds from the Government. This suggests that there is a high degree of support from the private sector for major sports events in Hong Kong.

6. We have also encouraged the commercial sector to sponsor people from underprivileged groups to attend major sports events as spectators or as participants in related programmes. Most recently, 500 tickets for the YONEX SUNRISE Hong Kong Open Badminton Super Series 2008 and 300 tickets for the JB-Group Classic 2009 (a tennis competition) were distributed to people from less privileged groups.

### **The Scope of Projects under the Arts Portion of ASDF Should Include Those Relating to Arts Policy Research and Interactive Community Activities**

7. The arts portion of ASDF is open to applications for projects relating to arts research and community arts activities.

8. Since 1997, the arts portion of ASDF has supported 95 arts research projects and 30 community activity projects.

### **Approving Authority of the Arts Portion of ASDF**

9. ASDF is a sub-fund under the Sir David Trench Fund for Recreation. The approval and disbursement of the fund is regulated by section 5 of the Sir David Trench Fund for Recreation Ordinance (Cap. 1128) which provides that the fund shall be applied by the trustee (Director of Accounting Services) in a manner as the Chief Executive may direct for the specified objects in support of recreational, sporting, cultural and social activities or such objects ancillary or incidental to these objects as the Chief Executive may consider appropriate. The Chief Executive has delegated the power under section 5 to the Secretary for Home Affairs.

10. Insofar as determination of the artistic merit and impact of projects applying to the arts portion of ASDF is concerned, the Secretary for Home Affairs has always relied on the advice of the Hong Kong Arts Development Council. Since the funding injection into ASDF in January 2007, there has not been one

case recommended by the HKADC applying for the ASDF having been rejected.

### **Establishing a Mechanism to enable Small and Medium-sized Arts Groups to become Major Performing Arts Groups**

11. In 2008, the Home Affairs Bureau invited proposals from interested consultants to bid for a research study to develop a new funding mechanism for the major performing arts groups and related matters. The consultant selection and appointment exercise is expected to complete soon.

12. The research study will develop a common assessment criteria as well as a new funding mechanism for the major performing arts groups. An “entry and exit” mechanism and an “upward and downward” funding adjustment mechanism will also be explored so as to put in place a progression ladder for the well-performing small and medium-sized performing arts groups to rise to the league of majors and to ensure a continued pursuit of excellence in the league of majors.

13. The research study will also consider the need to set up flagship companies of different art forms in Hong Kong to tie in with the development of the West Kowloon Cultural District and to match our vision to develop Hong Kong into an international cultural metropolis. To ensure a sustainable development of the performing arts scene in Hong Kong, the appointed consultant will also study and advise on the relationship between funding for the major groups vis-à-vis that for the non-majors. The study will also recommend the need for any complementary measures to ensure the vibrancy of the non-subsidized performing arts groups in Hong Kong.

### **The Scope of Projects under the Sports Portion of ASDF Should Include Those for the Promotion of Local/District Football Teams**

14. The promotion and development of football in Hong Kong is primarily handled by the Hong Kong Football Association (HKFA), and the HKFA may apply for funding from the ASDF to support major international football events locally.

15. To support the development of football at the community level, the Leisure and Cultural Services Department provides an annual subvention to the HKFA through the Sports Subvention Scheme and the amount of subvention for this year (2008-09) is around \$7.3 million. Separately, the respective District Councils provide funding specific to the development of district football teams.

*Home Affairs Bureau  
January 2009*