

**Select Committee to Inquire into Matters relating to  
the Post-service Work of Mr Leung Chin-man**

**Information provided by the Administration  
in response to the Appendix to the Clerk to Select Committee's letter  
of 12 May 2009**

*Document No.  
(Only English  
available unless  
otherwise specified)*

1. Information on the Hunghom Peninsula Private Sector  
Participation Scheme ("PSPS") development

- (a) Apart from the information which has been provided to the Select Committee (SC Paper Nos. T38, T40 to T41, T43 to T52, T55 to T63, T67, T70, T120 to T122 (i.e. THB40, THB49 to THB50, THB52 to THB61, THB64 to THB72, THB76, THB79, and THB128 to THB130)), please provide all other documents or records, including but not limited to memos, file minutes/notes, emails, fax messages and correspondence on matters relating to the disposal of the Hunghom Peninsula PSPS development during the period from November 2002 to December 2004 (i) between Cheung, Chan & Chung, Solicitors and Notaries and the Administration; and (ii) between Cheung, Chan & Chung, Solicitors and Notaries and the Hong Kong Housing Authority ("HA");

*Transport and Housing Bureau ("THB")'s response : Given the large amount of information involved, we need more time to compile our response. We will endeavour to provide the requested information to the Select Committee as soon as practicable.*

- (b) please advise whether the documents and records stated in (a) above show that Mr CHUNG Kwok-cheong was/is handling the case on behalf of Cheung, Chan & Chung, Solicitors and Notaries;

*THB's response : Please see response to item (a) above.*

- (c) please advise the names of Government officials who had access to the documents and records stated in (a) above and/or to whom the relevant documents and records were passed;

*THB's response : Please see response to item (a) above.*

- (d) please provide (i) information/guidelines on the declaration of interests by directorate civil servants in relation to their duties; and (ii) information/guidelines on the declaration of interests applicable to Mr LEUNG Chin-man when he served as the Permanent Secretary for Housing, Planning and Lands (Housing)/Director of Housing; and

*THB's response :*

- (i) *The information/guidelines on the declaration of interest by all civil servants (including directorate civil servants) are set out in:*

- *Civil Service Bureau ("CSB") Circular No. 2/2004 on Conflict of Interest (at ~~THB-274~~). T170* T170  
~~THB-274~~  
(bilingual)
- *CSB Circular No. 8/2006 on Declaration of Investments by Civil Servants (at ~~THB-275~~) T171* T171  
~~THB-275~~  
(bilingual)
- *Civil Service Regulations ("CSRs") 461 to 466 (at T172 ~~THB-276~~) which mainly deals with "Conflict of interest with private investments". CSRs 461 to 466 were referred to in paragraph 3 of CSB Circular No. 9/2001 (at ~~THB-277~~). Please note that paragraph 5 of CSB Circular No. 8/2006 stated above stipulated, inter alia, that it superseded CSB Circular No. 9/2001.* T172  
~~THB-276~~  
(bilingual)  
T173  
~~THB-277~~  
(bilingual)

- (ii) *Mr LEUNG served as Permanent Secretary for Housing, Planning and Lands (Housing) ("PSH")/Director of Housing during the period from July 2002 to end 2005. The information/guidelines on the declaration of interests during this period*

include:

Service-wide guidelines

- Civil Service Branch Circular No. 19/92 until 30 January 2004 (at ~~FHB-278~~<sup>T174</sup>), and then CSB Circular No. 2/2004 (which superseded Civil Service Branch Circular No. 19/92) on Conflict of Interest (at ~~FHB-274~~ T170)  
T174  
~~FHB-278~~  
(bilingual)  
T170  
~~FHB-274~~  
(bilingual)
- CSB Circular No. 9/2001 on Declaration of Investments (effective until being superseded by CSB Circular No. 8/2006 on 28 December 2006) (at ~~FHB-277~~ T173)  
T173  
~~FHB-277~~  
(bilingual)
- CSRs 461 to 466 (at ~~FHB-276~~<sup>T172</sup>) which mainly deals with "Conflict of interest with private investments" as embodied in CSB Circular No. 9/2001 (at ~~FHB-277~~ T173)  
T172  
~~FHB-276~~ T172  
(bilingual)  
T173  
~~FHB-277~~  
(bilingual)

Departmental Guidelines

- Departmental Staff Circular Memorandum ("DSCM") No. 1/2002 on Guidance for Appropriate Behaviour on Prevention of Bribery Ordinance, Acceptance of Advantages and Entertainment and Conflict of Interest (at ~~FHB-279~~<sup>T175</sup>). DSCM has subsequently been superseded by Departmental Staff Circular ("DSC") No. 6/2008.  
T175  
~~FHB-279~~  
(bilingual)
- DSC No. 7/2001 on Declaration of Investments (at ~~FHB-280~~<sup>T176</sup>). DSC No. 7/2001 has subsequently been superseded by DSC No. 7/2008.  
T176  
~~FHB-280~~  
(bilingual)

As Director of Housing ("DoH"), Mr LEUNG was also the vice-chairman of HA and a member of HA's committees. The relevant extract of the "Standing Orders of The Hong Kong Housing Authority" applicable during Mr LEUNG's tenure is attached at ~~FHB-281~~ T177

T177  
~~FHB-281~~  
(bilingual)

- (e) please advise whether Mr LEUNG Chin-man had made any declaration of interest in respect of the disposal of the Hunghom Peninsula PSPS development during the period from November 2002 to December 2004 regarding (i) his personal relationship with Mr CHUNG Kwok-cheong; and (ii) his relationship with Cheung, Chan & Chung, Solicitors and Notaries by virtue of his personal relationship with Mr CHUNG Kwok-cheong, a senior consultant of the firm, and if so, the date and details.

*THB's response : There is no file record to suggest that Mr LEUNG had made any declaration of interest in respect of the disposal of the Hunghom Peninsula PSPS development as PSH/DoH or a member of HA or its committees.*

2. Please advise/provide -

- (a) the functions of the Commercial Properties Committee ("CPC") of HA and the normal process for nomination of members to CPC;

*THB's response : The functions of the CPC during Mr CHUNG Kwok-cheong's 2-year tenure as a CPC member (i.e. from 2003 to 2004 and from 2004 to 2005) are attached at ~~THB 282~~<sup>T178</sup> which are identical for the two years.*

T178  
~~THB 282~~  
(bilingual)

*In nominating members of HA's committees (including CPC), inputs are obtained from Home Affairs Bureau ("HAB") and the senior directorates. The nominations would be submitted to the Chairman of Housing Authority and the Bureau Secretary responsible for housing matter for agreement. Each appointment is made on the basis of the merits of the individual concerned, taking into account the candidate's ability, expertise, experience, integrity and commitment to public service. A presumption paper would then be issued to seek the approval of the members of HA of the proposed membership of committees.*

- (b) a summary on the appointment of Mr CHUNG Kwok-cheong as a member of CPC including the person/party who made the nomination, the vetting process taken in the appointment, the term of the appointment, whether the nomination process in (a) above had been duly followed, and if not, the reasons;

*THB's response : The process described in the response to 2(a) above has been applied to the nomination of Mr CHUNG. However, there is no file record showing the person/party who proposed his nomination. HA's approval was obtained for the appointment of members to the committees. (see ~~THB-283~~<sup>T179</sup> for the presumption paper issued to seek the approval of the members of the HA). Mr CHUNG was appointed as a member of CPC with effect from 1 April 2003 and he resigned upon expiry of his term on 31 March 2005.*

T179  
~~THB-283~~  
(bilingual)

- (c) information/guidelines on the declaration of interests by members of CPC;

*THB's response : Information/guidelines on the declaration of interests applicable to Mr CHUNG during his tenure as a CPC member are attached at ~~THB-281~~<sup>T177</sup>, which is an extract from the "Standing Orders of The Hong Kong Housing Authority" provided in the response in item 1(d)(ii) above.*

T177  
~~THB-281~~  
(bilingual)

- (d) a summary on the declaration of interests, with dates and details, made by Mr CHUNG upon his appointment as a CPC member, and during his tenure as a CPC member;

*THB's response : Mr CHUNG made two annual registration of interests and one declaration of interests during his tenure as a CPC member. The details of the registration of interests are attached at ~~THB-284~~<sup>T180</sup> and ~~THB-285~~<sup>T181</sup>. The declaration of interests is attached at ~~THB-286~~<sup>T181</sup> (Two copies of the declaration, with comments and instructions made by the copied addressees, are also provided for reference).*

T180  
~~THB-284~~  
~~THB-285~~ T181  
~~THB-286~~ T129(c)

- (e) whether Mr CHUNG as a CPC member could have access to information/documents relating to the disposal of the Hunghom Peninsula PSPS development; and

*THB's response : Please see response to item 2(f) below.*

- (f) whether Mr CHUNG had attended any meetings of HA and/its committees where matters relating to the disposal of the Hunghom Peninsula PSPS development were discussed, and if so, details of the meetings.

*THB's response : As regards CPC, during Mr CHUNG's tenure as a CPC member, the CPC did not have any meeting on the disposal of the Hunghom Peninsula PSPS development and did not issue any paper on the subject.*

*As regards HA meetings, although Mr CHUNG is not an HA member, he would have access to open papers available for public inspection online. During Mr CHUNG's tenure, there were three HA open papers on the subject issued. A copy of these papers are attached at ~~THB-287~~<sup>T182</sup> (which encloses a copy of ~~THB-6~~<sup>T27</sup>), ~~THB-288~~<sup>T183</sup> (which encloses a copy of ~~THB-7~~<sup>T28</sup>) and ~~THB-289~~<sup>T184</sup> (which encloses a copy of ~~THB-63~~<sup>T54</sup>). Besides, the subject has been raised at the HA annual special open meeting held on 10 June 2004 by one of the HA members in his speech. The notes of meeting is attached at ~~THB-290~~<sup>T185</sup>, paragraph 4 of page 18 (Chinese version) and paragraph 2 of page 25 (English version) of the document are relevant. Mr CHUNG attended the meeting as an Attendee in his capacity as a CPC member. Apart from these open papers, no paper on the subject was issued to Mr CHUNG since he had declared his interests vide ~~THB-286~~<sup>T129(c)</sup>.*

~~THB-287~~ T182  
(bilingual)

~~THB-6~~ T27  
~~THB-288~~ T183  
(bilingual)

~~THB-7~~ T28  
~~THB-289~~ T184  
(bilingual)

~~THB-63~~ T54  
~~THB-290~~ T185  
(bilingual)

**THB-286** T129(c)

**Note:**

Document Nos. which are shaded and bold are graded as "Confidential".

Document Nos. which are underlined are those provided in previous submissions.