

Ref. (86) in L/M (3) in HD(CR/P)3/80

Housing Department
Hong Kong

16 August 2001

Departmental Staff Circular No. 7/2001

Declaration of Investments

(Note : This circular should be recirculated to all staff in February and August each year and new staff should be given a copy on appointment.)

CSB Circular No. 9/2001 promulgates the revised guidelines for civil servants to declare private investments. This circular explains in greater detail the revised arrangements. It should be read in conjunction with CSB Circular No. 9/2001 on the subject and Circular No. 19/92 on conflict of interest. The content of this circular is also applicable to both contract and temporary staff ^{Note 1} employed by the Housing Authority.

Conflict of interest with private investments

2. All officers are responsible for avoiding at all times any conflict of interest between their investments and official duties and for reporting any investments which may give rise to such conflict. Any officer found bringing the Government service or the Housing Authority into disrepute by investments or involvement in business in and/or outside Hong Kong will be liable to disciplinary action.

Declaration of Investment

Tier II officers

3. All directorate posts and posts at senior professional level ^{Note 2} or equivalent and SPS/PS posts to directorate officers in the Department are

^{Note 1} - Although temporary staff do not occupy any posts on the departmental establishment, they are subject to the declaration requirement applicable to posts of equivalent ranks/job types.

^{Note 2} - For the purpose of this circular, Senior Professional Posts refer to posts with maximum salary point at MPS 49 including those HA contract posts with comparable/equivalent ranks or job types.

classified/designated as Tier II posts. The incumbents of these posts (except on an acting for administrative convenience basis not exceeding 30 days) are required to declare the following on appointment and biennially :-

- (a) their investments in and outside Hong Kong, as specified in CSR 463(1) (Annex A); and
- (b) occupation of their spouses.

Between the biennial declarations, they are also required to report any single investment transaction (excluding currency transaction) equivalent to or exceeding HK\$ 200,000 or three months' salary in value, whichever is the less, within seven days of the transaction.

4. The investments for declaration and reporting include any investment (including those in the Tracker Fund of Hong Kong), shareholdings or direct or indirect interest in any company or undertaking (including company directorship), and any interest in land or buildings (including self-occupied property) in and/or in places outside Hong Kong.

5. The biennial reporting cycle for declarations will end on 31 October every other year (i.e. the reporting cycle will end on 31 October 2002, 31 October 2004 and so on). Officers newly posted to Tier II posts are required to make declarations on taking up the posts and be subject to the requirement of regular reporting as appropriate and updating in the next declaration cycle.

6. Officers acting for administrative convenience in Tier II posts for a period of 30 days or more are subject to the declaration requirements in para. 3 above. If they have to act for administrative convenience in Tier II posts more than once in a biennial reporting cycle, they are required to either complete a new declaration or declare no changes in investments since their declaration of the last acting appointment.

Professional officers

7. In addition, officers occupying posts at professional level^{Note 3}, including officers acting in these posts for 30 or more days, are required to declare their investment in the following types of businesses, if any :-

- (i) construction companies, consultancy companies and property development companies engaged in public housing projects;

^{Note 3} - For the purpose of this circular, Professional posts refer to posts with maximum salary point at MPS Pt.44 including those HA contract posts with comparable/equivalent ranks or job types.

- (ii) suppliers, private management agents and private companies serving the HA or providing cleansing, security, maintenance and other services in relation to management of public housing estates or HA's commercial properties;
- (iii) private companies operating business or in the process of operating business in HA's public housing estates or commercial properties.

Their investments in the Tracker Fund of Hong Kong are excluded from the above declaration requirement.

8. Officers subsequently promoted to a professional rank as defined in Note 3 at page 2 should make their declaration upon promotion unless they have made the declaration while acting in the professional post immediately before promotion. Thereafter, a declaration should be made as and when they make investments in the said businesses.

Others

9. Officers holding posts other than those mentioned in paragraphs 3 and 7 above will not be subject to any requirement for regular declaration of investments. They should continue to be responsible for avoiding at all times any conflict of interest between their investments and official duties and for reporting any investments which may give rise to such conflict. In case of doubt, they should report on the investments and seek advice from the respective Branch Administration Secretariat (BAS)^{Note 4}.

Administering the Declarations

10. If there is or may be any conflict of interest between an officer's investments and official duties, the officer concerned may be required to divest himself/herself of any or some of the investments, refrain from acquiring or disposing of the investments or place the investments in a blind trust. [N.B. A blind trust is one in which the trustee makes all the investment decisions concerning the arrangement of the trust assets with no direct control from the person (officer) who has placed the assets in the trust. No information is provided to that person except information which is required by law to be filed.]

^{Note 4} - Officers of Corporate Services Branch, Finance and Information Branch, Corporate Strategy Unit or the Director's Office should seek advice from the Personnel Sub-section of the Administration Division.

Other management actions may also be taken where operationally necessary and legally justified. These may include assigning duties to another officer and requiring the officer to refrain from handling cases with potential conflict of interest.

Declaration Forms

11. Declarations of investments from Tier II officers should be made on form GF 389(I) and GF 389(II) (Annex B) and from officers at the professional level, the prescribed form at Annex C. The declaration forms are obtainable from the Personnel Sub-section of the Administration Division and the Branch Administration Secretariats. Declarations from directorate post-holders should be submitted to the Director, for the attention of Chief Executive Officer/HRM(1). Declarations from other officers should be sent to the respective Branch Head, for the attention of Head, BAS ^{Note 5}

12. All the declarations mentioned above will be retained for five years after the officers concerned have left the service in order to facilitate investigation of any conflict of interest with official duties during the service but which came to light afterwards.

Failure to observe the regulations

13. Any officer who fails to observe any of the regulations on investments renders himself/herself liable to disciplinary proceedings which may include compulsory retirement and dismissal from the service

Enquiries

14. Any enquiries on this circular should be addressed to the following officers:-

CSB, FIB, CSU and the Director's Office	SEO/Per(1)	2761 7048
A&M Branch	SEO/AM	2761 6407
CBD Branch	SEO/CBD	2761 6390
D&C Branch	SEO/D&C	2761 7391
Management Branch	SEO/M(P)	2761 6720

^{Note 5} - For Corporate Services Branch, Finance and Information Branch, Corporate Strategy Unit and the Director's Office, Head, BAS refers to CEO/HRM(1).

Cancellation

15. Departmental Staff Circular No. 4/99 is hereby superseded.

WILSON FUNG
for Director of Housing

Declaration of Investments

- 463 (1) In the context of these regulations, the "investments" for declaration and reporting:
- (a) include any investment, shareholding or direct or indirect interest in any company or undertaking (including company directorship), and any interest in land or buildings (including self-occupied property) in Hong Kong and/or in places outside Hong Kong;
 - (b) include but are not limited to -
 - (i) securities listed on the Stock Exchange of Hong Kong;
 - (ii) futures and options contracts and other products traded on the Hong Kong Futures Exchange;
 - (iii) Tracker Fund of Hong Kong; and
 - (iv) any investment listed above which belongs to an officer but is held in the name of his/her spouse or of any other person or agent or company acting on his/her behalf,
 - (c) but, subject to CSR 464(a), exclude -
 - (i) unit trusts, mutual funds and life insurance policies;
 - (ii) bank deposits (irrespective of currencies);
 - (iii) government bills and notes and multilateral agency debt instruments; and
 - (iv) any investment held by an officer as a trustee or for charitable purposes where the officer has no beneficiary interest.
- (2) For investments not specified above, an officer should consult his/her Bureau Secretary/Head of Department on whether such investments should be declared.

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DECLARATION OF INVESTMENTS

(Annual Declaration/Biennial Declaration/Declaration on Appointment to Tier I/II post*)

To :

*SCS/Bureau Secretary/Head of Department **

PART A

Personal Particulars	
Tier I/II* Officer	
Name _____ <i>(First name)</i> <i>(Last name)</i>	(English) _____ (Chinese)
HKID No. _____	
Appointed to Tier I/II* post on _____	
Present post and date of posting _____	
Present bureau/department* _____	
Name of spouse _____ <i>(First name)</i> <i>(Last name)</i>	(English) _____ (Chinese)
HKID No. of spouse _____	
Occupation of spouse _____	
Declaration	
In accordance with CSR 464(a), I report my investments held as at _____ <i>(date)</i> as detailed in Part B of this form (GF 389(I)).	
I hereby declare that the particulars entered in the attached form(s) are accurate and complete.	
Signature _____	Date _____
[NB Please also see notes overleaf]	
*Delete as appropriate	

*Points to note when completing [GF 389(I)] on
Declaration of Investments (annual/biennial/on appointment to Tier I/II post)*

General

- (1) The information provided in this declaration form (GF 389(I)) will be used by SCS/Bureau Secretary/Head of Department or his designated officer(s) as appropriate to assess whether there is any conflict of interest between the private investments (in and/or outside Hong Kong) declared by the officer and his official duties or any non-compliance with relevant Civil Service rules and regulations and/or whether any action, including disciplinary proceedings, should be taken as appropriate.
- (2) By virtue of CSR 464(a), an officer may be required during a posting to declare his investments under CSR 463(1)(a) and (b) and other investments to be specified from a current date and thereafter on a regular basis.
- (3) Under CSR 466, an officer who fails to observe any of the regulations on investments renders himself liable to disciplinary proceedings, and may in addition be required to divest himself of any or some of the investments, refrain from acquiring or disposing of the investments or place the investments in a blind trust.
- (4) Before completing the declaration form, all officers are advised to study carefully CSRs 461-466 and CSB Circular No. 9/2001 on Declaration of Investments by Civil Servants, additional declaration rules and investment restrictions prescribed by his bureau/department, if any, and CSB Circular No. 19/92 on "Conflict of Interest".
- (5) The officer making the declaration will have a right to request access to and correction of the information provided herewith. Such requests can be made in writing to Director of Housing [Attn: Departmental Data Controlling Officer at 4/F, Block 1, HAHQ]

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PART B

Details of Investments and Interests Held

Serial No.	Particulars of Investments/ Interests (see note overleaf)	(a) Date of Acquisition (dd/mm/yy)	(b) Quantity/ Units Acquired	(c) Value of Acquisition [HK \$ as at (a)]

Name : _____

Signature : _____

Post : _____

Date : _____

Page No.: _____

Notes for Part B of GF 389(I)

- (1) Under CSR 463(1), the "investments" for declaration and reporting:-
- (a) include any investment, shareholding or direct or indirect interest in any company or undertaking (including company directorship), and any interest in land or buildings (including self-occupied property) in Hong Kong and/or in places outside Hong Kong;
 - (b) include but are not limited to –
 - (i) securities listed on the Stock Exchange of Hong Kong;
 - (ii) futures and options contracts and other products traded on the Hong Kong Futures Exchange;
 - (iii) Tracker Fund of Hong Kong; and
 - (iv) any investment listed above which belongs to an officer but is held in the name of his/her spouse or of any other person or agent or company acting on his/her behalf,
 - (c) but, subject to CSR 464(a), **exclude** –
 - (i) unit trusts, mutual funds and life insurance policies;
 - (ii) bank deposits (irrespective of currencies);
 - (iii) government bills and notes and multilateral agency debt instruments; and
 - (iv) any investment held by an officer as a trustee or for charitable purposes where the officer has no beneficiary interest.

[N.B.] By virtue of CSR 464(a), an officer may be required during a posting to declare his investments under CSR 463(1)(a) and (b) and other investments to be specified from a current date and thereafter on a regular basis.]

- (2) If interests in a private company are included, a brief indication of the following should be given –
- (a) the nature of its business;
 - (b) whether the company has active business activities;
 - (c) whether the officer has actively participated in the business(es) of the company; and
 - (d) the officer's shareholding and names of other shareholders which are known.

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DECLARATION OF INVESTMENTS

Report on Investment Transactions (Acquisitions and Disposals)
(within seven days of the transactions between the annual/biennial declarations)

To : _____
*SCS/Bureau Secretary/Head of Department**

Serial No.	Particulars of Transactions (see notes overleaf)	(a) Date of Acquisition/ Disposal (dd/mm/yy)	(b) Quantity/ Units Acquired/ Disposed	(c) Value of Acquisition/ Disposal [HK \$ as at (a)]

Declaration

In accordance with CSR 464(e), I report my investment transactions and hereby declare that the information entered above is accurate and complete.

Name _____ Appointed to Tier I/II* post on _____
(English) (first name) (last name)

_____ Appointed to present post on _____
(Chinese)

Post title _____ Name of bureau/department* _____

Signature _____ Date _____

* Delete as appropriate

Notes for Investment Declaration Form [GF 389(II)]

[Report on Investment Transactions (Acquisition and Disposal)]

- (1) To report within seven days each single investment transaction equivalent to or exceeding HK\$200,000 or three months' salary, whichever is the less.
- (2) If interests in a private company are included, a brief indication of the following should be given –
 - (a) the nature of its business;
 - (b) whether the company has active business activities;
 - (c) whether the officer has actively participated in the business(es) of the company; and
 - (d) the officer's shareholding and names of other shareholders which are known.
- (3) The information provided in this declaration form (GF 389(II)) will be used by SCS/Bureau Secretary/Head of Department or his designated officer(s) as appropriate to assess whether there is any conflict of interest between the private investments (in and/or outside Hong Kong) declared by the officer and his official duties or any non-compliance with relevant Civil Service rules and regulations and/or whether any action, including disciplinary proceedings, should be taken as appropriate.
- (4) Under CSR 466, an officer who fails to observe any of the regulations on investments renders himself liable to disciplinary proceedings, and may in addition be required to divest himself of any or some of the investments, refrain from acquiring or disposing of the investments or place the investments in a blind trust.
- (5) The officer making the declaration will have a right to request access to and correction of the information provided herewith. Such requests can be made in writing to Director of Housing [Attn: Departmental Data Controlling Officer at 4/F, Block 1, HAHQ].
- (6) Under CSR 463(1), the "investments" for declaration and reporting:-
 - (a) include any investment, shareholding or direct or indirect interest in any company or undertaking (including company directorship), and any interest in land or buildings (including self-occupied property) in Hong Kong and/or in places outside Hong Kong;
 - (b) include but are not limited to –
 - (i) securities listed on the Stock Exchange of Hong Kong;
 - (ii) futures and options contracts and other products traded on the Hong Kong Futures Exchange;
 - (iii) Tracker Fund of Hong Kong; and
 - (iv) any investment listed above which belongs to an officer but is held in the name of his/her spouse or of any other person or agent or company acting on his/her behalf,
 - (c) but, subject to CSR 464(a), exclude –
 - (i) unit trusts, mutual funds and life insurance policies;
 - (ii) bank deposits (irrespective of currencies);
 - (iii) government bills and notes and multilateral agency debt instruments; and
 - (iv) any investment held by an officer as a trustee or for charitable purposes where the officer has no beneficiary interest.

[NB By virtue of CSR 464(a), an officer may be required during a posting to declare his investments under CSR 463(1)(a) and (b) and other investments to be specified from a current date and thereafter on a regular basis.]

~~CONFIDENTIAL~~**Declaration of Investments
(Professional Post-holder)**

Name of Officer : _____ Post : _____

Serial No.	Particulars of Investments (see note)	(a) Date of Acquisition (dd/mm/yy)	(b) Quantity/ Units Acquired	(c) Value of Acquisition [HK\$ as at (a)]

Signature : _____ Date : _____ Page No.: _____

Note

(1) Officers occupying a professional post* (including those acting in these posts for 30 or more days) are required to report their existing investment in the following types of private business, if any :-

- construction companies, consultancy companies and property development companies engaged in public housing projects;
- Suppliers, private management agents and private companies serving the Housing Authority or providing cleansing, security, maintenance and other services in relation to management of public housing estates or HA's commercial properties;
- Private companies operating business or in the process of operating business in Housing Authority's public housing estates or commercial properties.

Thereafter, a declaration should be made as and when they make investments in the said businesses.

* Professional posts refer to posts with maximum salary point at MPS 44 including those HA contract posts with comparable/equivalent ranks or job types.

(2) The information provided in this declaration form will be used by SCS/Bureau Secretary/Head of Department or his designated officer(s) as appropriate to assess whether there is any conflict of interest between the private investments declared by the officer and his official duties or any non-compliance with relevant Civil Service rules and regulations and/or whether any action, including disciplinary proceedings, should be taken as appropriate.

(3) The officer making the declaration will have a right to request access to and correction of the information provided herewith. Such requests can be made in writing to Director of Housing [Attn: Departmental Data Controlling Officer at 4/F, Block 1, HAHQ]