

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

**Witness statement of Mr Andrew WONG Ho-yuen**

I, Andrew WONG Ho-yuen, is the Permanent Secretary for the Civil Service. I am asked to appear before the Select Committee to assist in the inquiry into matters related to the post-service outside work of Mr LEUNG Chin-man. I set out below my responses to the questions put earlier to me by the Select Committee. In putting together this witness statement, I am assisted by my colleagues in the Civil Service Bureau.

**The vetting and assessment of post-service work applications from  
directorate civil servants**

***Q1: The procedure adopted after the Civil Service Bureau (“CSB”) has received an application for post-service work from a directorate civil servant***

A1: Upon receipt of an application for post-service outside work from a directorate civil servant<sup>1</sup>, CSB will invite the relevant Permanent Secretary, Head of Department and/or Head of Grade to provide assessments on the application. After collating all the assessments, CSB will also form its preliminary views on the application. It will then draft a paper containing relevant information of the applicant, the prospective employment and all the assessments of the relevant parties including CSB’s preliminary views and recommendation. The paper, in draft form, will be passed to the Chairman of the Advisory Committee on Post-service Employment of Civil Servants (“the Advisory Committee”) for consideration. Where necessary, the Chairman may ask for a meeting to be convened with Members of the Advisory Committee to discuss an application. If the Chairman believes that the paper can be dealt with by circulation of paper to Members, on receipt of the Chairman’s advice, CSB will finalise the draft by inclusion of a paragraph on “Views of the Chairman”. It will then circulate the paper to Members for their advice, with a copy to the Chairman. Members will each provide his/her comments by completion of a reply slip. After the Advisory Committee has tendered its advice, CSB will submit the application to the Secretary for the Civil Service (“SCS”) for a decision, together

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<sup>1</sup> The term “directorate civil servant” refers to serving and former civil servants who are remunerated under the Directorate Pay Scale (DPS) D1 to D8 (or equivalent).

with all the views expressed by the parties being consulted, the Advisory Committee's advice and CSB's final recommendation. SCS will then decide whether to approve an application with standard work restrictions only, or approve it with standard work restrictions and additional work restrictions, or to reject it. For details, please refer to CSB's Paper No. CSB11 (SC Paper No. C21) on "Procedures for Processing Post-service Outside Work – Applications from Directorate Civil Servants".

***Q2: The procedure adopted by CSB after receiving the views of other bureaux which have been consulted on such an application***

A2: As stated in A1 above, after collating all assessments from the relevant parties, CSB will form its preliminary views on the application. It will then draft a paper containing relevant information of the applicant, the prospective employment and all the assessments of the relevant parties including CSB's preliminary views and recommendation. The paper, in draft form, will be passed to the Chairman of the Advisory Committee for consideration. Where necessary, the Chairman may ask for a meeting to be convened with Members of the Advisory Committee to discuss an application. If the Chairman believes that the paper can be dealt with by circulation of paper to Members, on receipt of the Chairman's advice, CSB will finalise the draft by inclusion of a paragraph on "Views of the Chairman". It will then circulate the paper to Members for their advice, with a copy to the Chairman. Members will each provide his/her comments by completion of a reply slip. After the Advisory Committee has tendered its advice, CSB will submit the application to SCS for a decision, together with all the views expressed by the parties being consulted, the Advisory Committee's advice and CSB's final recommendation. SCS will then decide whether to approve an application with standard work restrictions only, or approve it with standard work restrictions and additional work restrictions or to reject it.

***Q3: The procedure adopted when there is divergence in views of the consulted bureaux, and how the difference in views is resolved by CSB***

A3: The aim of consulting relevant bureaux and departments is not to arrive at a consensus view, but simply to obtain the views of the individual concerned parties. No action will be taken by CSB to resolve any difference in view from the concerned parties. No

matter whether the views from the parties being consulted are the same or not, CSB will proceed as described in A2 above. All the views expressed by the parties being consulted, the Advisory Committee's advice and CSB's final recommendation will be submitted to SCS for decision via Deputy Secretary for the Civil Service (1) ("DS(CS)1") and me.

**The vetting and assessment of Mr LEUNG Chin-man's application for post-service work with New World China Land Limited**

***Q4: Your role in vetting Mr LEUNG's application and factors taken into account when assessing the application***

***Q5: Please advise, as the Head of the Administrative Officer ("AO") –***

- (a) your role and participation in the consultation process with the AO Grade Management in vetting Mr LEUNG's application;***
- (b) factors considered by the AO Grade Management in giving its advice on Mr LEUNG's application, including whether consideration had been given to the senior positions Mr LEUNG had held in the Government and his involvement in major housing and land policies when serving as the Permanent Secretary for Planning, Lands and Housing (Housing)/Director of Housing and Director of Buildings; and***
- (c) reasons why Part III Assessment B of Mr LEUNG's application form was not completed by you who are the Head of the AO Grade.***

A4 and A5(a):

As Permanent Secretary for the Civil Service, my role in the vetting of applications from directorate civil servants for taking up post-service outside work within their final leave, sanitization period and control period is to tender advice to the SCS on these applications. Officers in CSB responsible for processing these applications will, after collecting the views of all relevant parties on an application, form preliminary views and recommendation on an application, seek the advice of the Advisory Committee and then submit the application, including all the views expressed by the parties within the Government

and the advice of the Advisory Committee and their final recommendation, via DS(CS)1 and me to SCS. I will tender my advice to SCS at this stage. In the course of vetting the applications, if officers in CSB come across any difficulties, they may also come to me for advice.

In the case of Mr LEUNG's application, when officers in CSB submitted their recommendation via me to SCS, I went through the views of different parties and considered their analysis. I agreed with the recommendation put forth by officers in CSB and indicated so to SCS.

For applications from directorate Administrative Officers ("AO"), I have an additional role. The Head of the AO Grade is one of the parties who have to comment on an application from a directorate AO by completing Assessment B in the application form. In practice, I have delegated the assessment to DS(CS)1, who, together with myself, is responsible for the management of the more senior members of the AO Grade. Nevertheless, when the recommendation on the application is submitted via me to SCS, I will consider the assessment made by DS(CS)1 to ensure that it is reasonable and sufficient. DS(CS)1 would seek my advice and /or directions if he / she comes across any difficulties in completing Assessment B.

In the case of Mr LEUNG's application, I considered that DS(CS)1 had made a reasonable and sufficient assessment.

A5(b): In assessing any application from a directorate officer, including directorate AO, the factors to be taken into account by any commenting party as well as by CSB are the policy objective of the control regime and the specific assessment criteria stated in Civil Service Bureau Circular No. 10/2005.

In the case of Mr LEUNG's application, the same factors were taken into account by the AO Grade Management, other commenting parties as well as CSB.

A5(c): As mentioned in A4 and A5(a) above, I have delegated the assessment of applications for post-service outside work from directorate AOs to DS(CS)1 under the division of work between PSCS and DS(CS)1 in managing the AO Grade. Where DS(CS)1 encounters difficulties, he / she would consult me.

In fact, where the application form mentions the Head of Grade (“HoG”) as one of the parties to complete the form, it is referring to the office rather than the person. HoG may complete the form personally, or may cause the form to be completed by another person in the relevant line of command.

As mentioned in A4 and A5(a) above, in the vetting of Mr LEUNG’s application, I considered DS(CS)1’s assessment when the recommendation on the application was submitted to SCS via me and agreed with her assessment.

***Q6: On 4 July 2008, a written submission was put up to the Secretary for the Civil Service recommending approval of Mr LEUNG’s application. Please advise –***

***(a) the reasons why Mr LEUNG’s involvement in the Hunghom Peninsula development was not stated in the submission; and***

A6(a): The matter had not been considered by CSB or the relevant bureaux when processing Mr LEUNG’s application, and thus it was not mentioned in the submission to SCS.

***(b) why you considered that the additional work restrictions would be able to address the “public perception issue” raised by the Works Branch?***

A6(b): The Works Branch of the Development Bureau commented that in the light of the business nature of Mr LEUNG’s prospective employer in real estate development, construction and management matters, Mr LEUNG’s full-time appointment as the Executive Director with relativity to his former appointment as Director of Buildings from October 1999 to June 2002 might have a public perception issue despite that the operation of his prospective employer was outside Hong Kong.

Taking into account that the core business of New World China Land Limited (“NWCL”) was in the Mainland, that Mr LEUNG’s proposed appointment with NWCL was to oversee the company’s business in the Mainland only, that Mr LEUNG would be physically based in a major city in the Mainland, and that Mr LEUNG advised that he would not be involved in the business of the employer’s parent company

(i.e. New World Development Company Limited) or its subsidiaries, I considered that Mr LEUNG's proposed appointment with NWCL would unlikely constitute any conflict of interest. However, given Mr LEUNG's former senior position in the Government, I considered that the imposition of the following additional work restrictions in addition to the standard work restrictions should be able to address the "public perception issue" in the following ways –

Condition (i)

Mr LEUNG should not involve himself in any business of NWCL that is connected with Hong Kong;

Condition (iv)

For avoidance of doubt, Mr LEUNG should confine his proposed appointment to NWCL.

Condition (ii)

Mr LEUNG should not use or disclose any classified or sensitive information acquired while he was in government service in the course of his employment with NWCL

Although the Works Branch's view was that there would be a public perception issue despite that the operation of Mr LEUNG's prospective employer was outside Hong Kong, I believe that by imposing an additional restriction that Mr LEUNG should not be involved in any business that was connected with Hong Kong, any negative public perception could be mitigated.

I believe that this additional restriction should be able to mitigate any negative public perception that Mr LEUNG's prospective employer would have an unfair advantage over its competitors arising from the acquisition of classified or sensitive information that Mr LEUNG might have acquired during his Government service. Also, Mr LEUNG's appointment as Director of Buildings had ended on 30 June 2002 and some six years had lapsed since then. Much of the sensitivity of the information to which he might have access during his term as Director of

Buildings should have diminished or reduced.

Condition (iii)  
Mr LEUNG should not represent NWCL in any discussion with the Government

I believe that this additional restriction should be able to mitigate any negative public perception that Mr LEUNG's prospective employer would have an unfair advantage over its competitors through any influence that Mr LEUNG would still have with serving officers in the Government, or any pressure that Mr LEUNG would be able to bring upon serving officers in the Government in any discussion between his prospective employer and the Government.

***Q7: The personal relationship between you and Mr LEUNG***

A7: Both Mr LEUNG and myself are members of the AO Grade. I came to know Mr LEUNG through our work over the years, and my previous contacts with Mr LEUNG were mainly work-related.

Andrew WONG Ho-yuen  
4 March 2009