

**INFORMATION TECHNOLOGY AND BROADCASTING PANEL**

**SPECIAL MEETING HELD ON 7 JUNE 2011**

**SPEAKING NOTE TO BE USED BY JEREMY GODFREY,  
FORMER GOVERNMENT CHIEF INFORMATION OFFICER**

[Check against delivery]

Chairman

This is the 25<sup>th</sup> Panel meeting that I have attended. I am sorry that the issue on the agenda should be so serious.

Before discussing the ILSP, I should like to take the opportunity to thank the Panel for the fair and challenging way in which you scrutinised my work as GCIO. When appearing before the Panel, I always strove to be straightforward, honest, constructive and respectful. I hope that I succeeded.

The ILSP is a worthwhile and meaningful programme and it is a pity that the selection of implementers was affected by political considerations.

I will first deal with a number of criticisms that have been made of my role. Then I will outline the concerns about the ILSP which caused me to leave the Government. I will say a few words to protect individuals whose reputation might otherwise be unfairly harmed. Finally, I will discuss the evidence that a formal enquiry could uncover.

***Criticisms of my role***

*Do I have ulterior motives in airing my concerns?*

There have been a number of mischievous rumours accusing me of ulterior motives in airing my concerns. All these rumours are utterly

false. The unfounded allegations that I have acted at the behest of a variety of public figures must have caused them annoyance. I very much regret this.

It is scarcely credible that I should have invented the detailed account of events contained in my memorandum. I have much to lose if I were found to be lying, including the risk of imprisonment for wilfully using an affidavit which I knew to be false.

My sole concern has been to serve the public interest and protect my good name.

*Should I have reported my concerns to CSB?*

It has been suggested that I should have reported the attempted political interference to CSB when it first occurred.

According to the Civil Service Code, an officer who feels he has been asked to act improperly should first try to resolve the matter with his superior officers or with the person giving the instruction. I was not aware of the Civil Service Code until late last year, but I independently realised that it was sensible to try to resolve the matter with my superiors in the first instance.

Despite the clear political pressure, I believed up until January this year that it would prove possible to resolve the matter without acting improperly. That is why I did not take the matter further. As soon as it was clear that my belief was incorrect, I took steps to terminate my employment.

For several months, I tried to find a way to implement the ILSP that was in the best interests of low-income families, that involved no impropriety, and that the political layer could be persuaded to accept. I may be judged to have tried too hard and for too long. If so, I am ready to accept whatever criticism I am due.

*Was I wrong to propose collaboration?*

It has been suggested that I became part of the political conspiracy when I proposed to explore collaboration, instead of simply selecting the highest-scoring proponent.

I knew there would be political consequences if the evaluation panel's recommendation to select HKCSS were followed. I therefore felt obliged to report the outcome to Mrs LAU, as the principal official with political accountability for the work of my Office. I also informed her that I thought that the eInclusion business model was superior and that it would be a lost opportunity if we did not find a way to take advantage of it. Mrs LAU advised that she would not take political accountability for a decision to select eInclusion over HKCSS, but otherwise asked me to use my own judgment.

I decided to propose that we sound out the parties about the possibility of collaboration. Before doing so, I challenged myself whether I would have explored collaboration even if I knew nothing about any political requirement. I concluded that I would have explored collaboration in any event, because I considered that it could result in a significantly better outcome for low-income families. I was also conscious also that I had followed a similar course in relation to the District Cyber Centre Programme. I therefore believed that there was nothing inherently improper in proposing that we sound out the parties about collaboration.

***Main concerns***

I will highlight three factors behind my decision to leave the Government. First, there was an attempt at political interference. Second, the attempt was successful. And, third, I feared I would be asked to mislead LegCo about the true reasons for the selection.

### *Attempted political interference*

Let me first describe the attempts at political interference.

There were four different government officials who informed me about the political requirement to select a particular implementer.

First, a civil servant in CEDB told me he had been told by or on behalf of the FS that it was mandatory to arrange for an iProA-backed entity to implement the programme. With the benefit of the chronology that the Government submitted to the Panel last Friday, I can now date this conversation to within a week or so of 15 January 2010.

Second, at the time when the evaluation panel was considering proposals, a civil servant in OGCIO told me that he had been called by the FS's office to check that I was aware of the FS's requirement to select a particular proponent.

Third, when I reported the evaluation panel's conclusions to Mrs LAU, she told me that the political requirement was to ensure that iProA members would have the opportunity to knock on the doors of low-income families.

And fourth, there were numerous conversations with Miss TSE when collaboration was being discussed in which she referred to the requirement to select eInclusion as a "political assignment". In one of these conversations, she told me that the assignment came from "beyond the Financial Secretary".

There is no possibility that these conversations were merely general discussions of the merits of iProA and eInclusion. The language used left no room for doubt that the Financial Secretary expected us to select iProA or eInclusion, and to make it appear that there was no political motivation for the selection.

*The attempt at political interference was partially successful*

Second, let me describe the extent to which the attempt at interference was successful.

I did not consider it improper to propose that we explore collaboration. But I did consider that Miss TSE's behaviour in proposing and chairing the review committee was influenced by political considerations.

For example, I proposed that I should follow the evaluation panel's recommendation to select HKCSS in the event that collaboration discussions failed. Miss TSE told me orally that she would not permit this. She said she had not gone to the trouble of finding a procedural justification for deviating from the usual practice of selecting the highest-scoring proponent, only to find that the project was ultimately awarded to HKCSS in any event.

I also considered that political considerations influenced Miss TSE's decision to recommend a dual implementer approach and then to tell the proponents that there was no alternative.

Miss TSE accepted that the dual implementer approach was not in the interests of low-income families. She justified the dual implementer approach by finding procedural problems with every variant of a single implementer approach, and she was not prepared to consider ways of mitigating these procedural problems. She ignored the equal or greater procedural difficulties with the dual implementer approach.

In sum, Miss TSE knew there was a political assignment. She brought about an outcome that delivered the political assignment. Her justification for the outcome did not ring true. I could not escape the conclusion that her approach was influenced by political factors.

*The Panel, the Council and the public have been misled*

Finally, I consider that my fear that LegCo would be misled has come to pass.

Once, when I objected to her proposed answer to a possible Panel question about the selection process, Miss TSE told me that it would be necessary to tell the whole truth if there were a LegCo enquiry but this was not necessary in a normal Panel meeting. I took this as meaning that the Government would conceal embarrassing facts, even if this meant misleading Legco about the existence of the political assignment.

Rather than list all the examples of misleading statements that have since been made, I will merely highlight two examples. These are not the most reprehensible examples, but they are perhaps the clearest examples.

First, the Government has claimed that “normal procedures were followed throughout”. In fact the procedure used to select dual implementers was so abnormal that the ICAC Corruption Prevention Division went out of their way to raise concerns about it.

Second, the Government claimed that the points I proposed to place on record “did not deviate” from the account they had already given to the Council. In fact, my proposed points included a statement that was diametrically opposed to the impression that the Government had tried to convey. The Government’s account implied that there had been no political interference, whereas I proposed to say that “on several occasions ... I was informed that there was a ‘political assignment’ to select a particular implementer”.

*The reputation of others*

I now turn to the reputation of others.

I should like to repeat that at no time did I feel that either Mr Greg SO or Mrs Rita LAU asked me to act in an improper way. I should also reaffirm that I have no reason to believe that Dr Elizabeth Quat was involved.

It has been incorrectly suggested that my statement about Dr Quat also applies to the DAB generally. I must clarify that my statement was limited to the personal involvement of Dr Quat. It did not apply to the DAB generally and was not intended to apply to the DAB generally.

### *Evidence*

I now turn to the question of evidence.

I did not make surreptitious recordings of conversations with my colleagues. I did not make or retain unauthorised copies of Government documents. The evidence that I personally can provide is the sworn testimony of an eye-witness.

I do not invite the Panel to make a finding of impropriety based solely on my evidence. Rather, I invite the Panel to propose that there be a formal enquiry with the power to summon witnesses, examine them on oath and require the production of documents. This could be conducted either under the Commissions of Inquiry Ordinance, or the Legislative Council (Powers and Privileges) Ordinance.

Such an enquiry may not uncover much directly incriminating documentary evidence. Care was taken to avoid creating such evidence, either in the form of paper records or in the form of emails which might later be recovered from backup copies. On one occasion, Miss TSE explicitly cautioned me against sending a draft document by email for precisely this reason.

An enquiry would, however, uncover documents which are a carefully-worded attempt to justify a course of action that the author knew to be wrong, rather than an honest account of the author's true reasons for a decision. It would also uncover evidence of changes made to draft documents that indicate a desire to conceal the true nature of events.

Documents may not be the most important evidence that an enquiry would uncover. My account of events could most directly be corroborated

by sworn evidence from other eye-witnesses who were involved in conversations about the political requirement to select a particular implementer.

Today's special Panel meeting has no power to examine witnesses on oath, and not all of the relevant witnesses are here. In particular, the Government's ten-person delegation does not include either of the two eye-witnesses who told me of conversations with the Financial Secretary or his office about the political requirement. I have not named these eye-witnesses because they are serving civil servants, and I do not think it is fair that they should come under pressure to come forward without the legal protections they would have if they were summoned as witnesses before a formal enquiry.

### *Conclusion*

I should end my reaffirming my strong belief that the ILSP itself is an extremely important programme.

Despite the circumstances in which we find ourselves today, I remain proud of my role in designing the ILSP and winning support for it.

Mr Chairman, I am ready to assist the Panel.