



22 May 2012

Miss Flora Tai  
Clerk to the Panel on Constitutional Affairs  
of the Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central  
Hong Kong

Dear Miss Tai,

**Declaration of Interests and  
Avoidance of Potential Conflict of Interest by the Chief Executive**

At the meeting of Panel on Constitutional Affairs held on 16 April, Members requested for certain additional information and we now set out in the ensuing paragraphs our response.

According to Basic Law Article 43, the Chief Executive of the Hong Kong Special Administrative Region (HKSAR) is the head of the HKSAR. Section 3 of the Prevention of Bribery Ordinance (the Ordinance) is premised upon the existence of a principal-agent relationship. The Chief Executive is not an agent of the HKSARG and has no equivalent principal within the HKSARG. The Chief Executive therefore does not have a principal to whom he could turn as an agent for the purpose of section 3 of the Ordinance in practice because he is the head of the HKSAR and enjoys a unique constitutional role. The Chief Executive cannot fit into the framework of this section. That said, the Independent Review Committee for the Prevention and Handling of Potential Conflicts of Interest is reviewing the existing regulatory frameworks and procedures for the prevention and handling of potential conflicts of interests concerning the Chief Executive.

**中華人民共和國香港特別行政區行政長官辦公室**

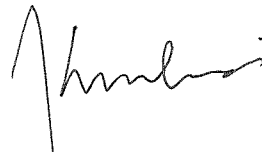
**Office of the Chief Executive of the Hong Kong Special Administrative Region of the People's Republic of China**

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As regards Members' enquiry on whether there is any requirements relating to the declaration of interests and avoidance of potential conflict of interest in the appointment of Governors of Hong Kong in days before the handover, please note that we are unable to locate relevant information.

We also enclose at **Annex** the extract of the terms and conditions of appointment of the third term Chief Executive for Members' reference.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Choi', with a stylized, cursive script.

( Kevin Choi )

Deputy Private Secretary to the Chief Executive

c.c. Secretary for Constitutional and Mainland Affairs  
(Attention: Mr. Ivanhoe Chang)  
Director of Administration

**Extract of the Terms and Conditions of Appointment of the  
Third Term Chief Executive of the Hong Kong Special  
Administrative Region**

**Salary**

*Monthly salary: \$371,885*

**Non-accountable Entertainment Allowance**

*Monthly non-accountable entertainment allowance: HK\$62,766. The allowance is subject to salaries tax.*

**Leave Entitlement**

*An annual leave of 22 working days, subject to a maximum accumulation limit of 22 days. Accumulated leave will be forfeited upon leaving office.*

**Official and Country Residences**

*Official residence at Government House, Upper Albert Road, Hong Kong and a country residence at Fanling Lodge, Castle Peak Road, Kwu Tung, New Territories.*

**Medical and Dental Benefits**

*The Chief Executive and his wife are entitled to medical and dental care and treatment available to civil servants of the Government and their families. The rules and regulations applicable to civil servants in relation to medical and dental care and treatment are applicable. The Government is not responsible for the private medical and dental expenses of the Chief Executive and his wife.*

## **Travel in Hong Kong**

*Free use at the Chief Executive's discretion a car and a driver. The wife of the Chief Executive is also provided with the free use at her discretion a car and a driver.*

## **Travel outside Hong Kong**

*When travelling on duty outside Hong Kong, the Chief Executive is entitled to travel on first class at Government's expense. Where protocol permits the presence of his wife when the Chief Executive travels on duty, she is also entitled to travel on first class at Government's expenses.*

## **Post-office Restrictions**

*The Chief Executive is subject to the post-office restrictions to be imposed by the Government upon the recommendation of the Independent Commission on Remuneration Package and Post-office Arrangements for the Chief Executive of the Hong Kong Special Administrative Region.*

## **Declaration of Investments and Interests**

*In accordance with Basic Law Article 47, on assuming office, the Chief Executive has to declare his assets to the Chief Justice of the Court of Final Appeal. This declaration will be put on record.*

*As the President of the Executive Council, the Chief Executive has to furnish, on first appointment and annually thereafter, a return of his registrable interests, by means of Register of Members' Interests, to the Clerk of the Executive Council (CEC) for record. The Chief Executive has to notify the CEC in case of any changes to the entries in the record within 14 days of their occurrence. The Chief Executive also has to deposit, on a confidential basis, with the CEC his declarations of financial interests by means of a Register of Members' Financial Interests.*

## **Acceptance of Gifts**

*The Chief Executive will declare any gift of an estimated value exceeding HK\$400 received by him or his wife, from any person, institution or government other than the Government which in any way relates to his office as the Chief Executive.*