FACT SHEET

Mechanism for approval of duty visits outside Hong Kong and reimbursement of expenditure on official entertainment and souvenirs in the Civil Service

1. Introduction

1.1 The Panel on Security will discuss the mechanism of the Independent Commission Against Corruption ("ICAC") for approval of duty visits outside Hong Kong and reimbursement of expenditure on official entertainment and souvenirs at its meeting to be held on 27 May 2013. According to ICAC, it generally observes the regulations set out by the Government with regard to the approval of duty visits outside Hong Kong and reimbursement of expenditure on official entertainment and souvenirs. As such, information on the relevant approval mechanism and regulations in the Civil Service is provided in this fact sheet to facilitate members' discussion on the subject.

2. Mechanism for approval of duty visits outside Hong Kong

Duty visits outside Hong Kong undertaken by civil servants

2.1 According to the Government, duty visits outside Hong Kong are undertaken by civil servants on the basis of operational need. The ranking and number of officers undertaking duty visits are considered on a case-by-case basis. Regarding the approval mechanism, duty visits undertaken by a Head of Department ("HoD") should be approved by his or her respective Permanent Secretary, supervising officer or Director of Bureau ("DoB"). Applications from officers below HoD level should be approved by Permanent Secretaries, HoDs or senior officers not below Assistant Director level. In considering the applications, the approving officers would consider factors such as the purpose of visit, duration, number and frequency of such visits, and the appropriateness of the ranking and number of officers involved.
2.2 Civil servants on duty visits outside Hong Kong are entitled to draw a subsistence allowance provided under the Civil Service Regulations ("CSRs"). The allowance is intended to cover expenses such as the cost of appropriate accommodation and meals, travelling expenses within towns, and other minor incidental out-of-pocket expenses.

2.3 The duty passages for civil servants on duty visits outside Hong Kong are procured by the relevant departments in accordance with CSRs and the Stores and Procurement Regulations. According to CSR 1365, officers at D4 level of the Directorate Pay Scale or above are normally provided with business class duty passage while other officers are normally provided with economy class duty passage. HoDs may upgrade the passages for their officers to business class only in particular circumstances, such as where the flying time exceeds nine hours or the officer concerned is subject to a tight flight schedule of no less than three flights within five days.

Duty visits outside Hong Kong undertaken by politically appointed officials

2.4 Regarding the approval mechanism for duty visits outside Hong Kong undertaken by politically appointed officials, duty visits undertaken by Secretaries of Departments ("SoDs") should be approved by the Chief Executive, while duty visits undertaken by DoBs should be approved by the Chief Secretary for Administration or the Financial Secretary. As for Under Secretaries and Political Assistants, their applications should be approved by their respective DoBs.

2.5 According to the Code for Officials under the Political Appointment System, SoDs and DoBs shall be provided with first class duty passages when travelling on duty visit outside Hong Kong. Under Secretaries and Political Assistants are subject to the same rules and regulations as those applicable to civil servants at comparable levels for the class of travelling on duty visit outside Hong Kong. With regard to the payment of subsistence allowance, politically appointed officials are subject to the same rules and regulations as those applicable to civil servants.
2.6 The relevant CSRs governing the payment of subsistence allowance and reimbursement of expenses for duty visits outside Hong Kong are shown in Appendix I. The relevant provisions in the Code for Officials under the Political Appointment System governing politically appointed officials' travel outside Hong Kong are shown in Appendix II.

3. Mechanism for approval of reimbursement of expenditure on official entertainment

3.1 With regard to the reimbursement of expenditure on official entertainment, civil servants have to comply with the relevant requirements of CSRs and the internal guidelines issued by the Administration Wing. HoDs and officers authorized by their HoDs may have their expenditure on entertainment charged to public funds. Such expenditure should be directly related to the discharge of an officer's duties or a necessary part of making or maintaining contacts in his or her official capacity. The status of the guests and the standard of entertainment appropriate to the occasion are taken into account when deciding the place and scale of entertainment.

3.2 According to the internal guidelines of the Government, the expenses for entertaining guests should not exceed HK$350 per person for lunch and HK$450 per person for dinner. Where the circumstances require that the expenses exceed the expenditure guidelines, approval must be sought and justifications must be given.

3.3 All applications for reimbursement of expenditure on entertainment have to be supported by receipts. The Head, Deputy Head of Department or a directorate officer to whom authority is delegated under the consent of the Secretary for the Civil Service has to authorize all expenditure from the departmental entertainment vote. Expenditure on entertainment forms part of the departmental operating expenses which are subject to audit scrutiny.

3.4 The relevant CSRs governing the reimbursement of expenditure on official entertainment are shown in Appendix III.
4. **Mechanism for approval of reimbursement of expenditure on souvenirs**

4.1 According to the Government, it does not accept or exchange souvenirs or gifts in ordinary functions and activities. If there is a need to go through the protocol for exchanging souvenirs or gifts, the bureau or department concerned would procure appropriate souvenirs or gifts having regard to the capacity of the guests and the occasions to ensure proper use of public funds. The bureau or department concerned is required to comply with the *Stores and Procurement Regulations* of the Government in the procurement of supplies, including souvenirs or gifts.
Appendix I

Provisions in the Civil Service Regulations governing payment of subsistence allowance and reimbursement of expenses for duty visits outside Hong Kong

A. Civil Service Regulations 713 to 716: Subsistence Allowance
(extracted from Chapter IV of the Civil Service Regulations: Salaries and Allowances)

Rates outside Hong Kong

713 (1) An officer who is on duty outside Hong Kong may be granted a subsistence allowance at the rates set out at Annex 4.10. The allowance is intended to cover the cost of the appropriate standard of accommodation and meals, laundry charges, casual entertainment, gratuities, travelling expenses within towns and all minor incidental out-of-pocket expenses. A claim for expenses in excess of the standard rates set out at Annex 4.10 will be considered under CSR 715 but only to the extent which the Secretary for the Civil Service considers reasonable. Other reimbursable items are specified in CSR 714.

(2) The subsistence allowance is payable from the night following arrival in the first place of duty up to and including the night before departure from the last place of duty. The allowance specified under this regulation does not apply to officers on study leave or training outside Hong Kong.

Reduced rates

(3) (a) The allowance payable to an officer will be abated by the amount paid as subsistence allowance to him by other organizations.
Appendix I (cont'd)

(b) If hotel accommodation is covered by sponsorship or separately paid for, the allowance payable will be reduced to 40% of the subsistence allowance under CSR 713(1).

(c) If the officer, instead of staying in a hotel, is provided with free accommodation by a friend, relative, or another officer, or lives in his own house, the allowance payable will be reduced to 60% of the subsistence allowance under CSR 713(1).

Enhanced rates

(4) With the approval of the Head of Department, an officer may draw an allowance made up of the actual cost of hotel accommodation (excluding meals and sundries) plus 40% of the subsistence allowance under CSR 713(1) under the following circumstances:

(a) it is necessary to stay in a particular hotel for operational reasons; or

(b) cheaper hotel accommodation is not available.

(5) With the approval of the Head of Department, an officer may draw an allowance made up of the actual cost of in-town travelling expenses plus 95% of the subsistence allowance under CSR 713(1). The approval should be subject to the following conditions:

(a) the journeys made are essential;

(b) the most economical or practical mode of transport is used for the particular journey. As a general rule, taxis or hired cars may be used where the visit programme is tight and/or where public transport facilities in the country concerned are inadequate;
Appendix I (cont'd)

(c) all officers sharing the taxi or the hired car are each subject to a 5% deduction of the subsistence allowance referred in CSR 713(1);

(d) the provisions set out in CSR 734(2)-(6) are observed; and

(6) An officer who is granted allowance under paragraph (4) and (5) concurrently will draw an allowance made up of the actual cost of hotel accommodation and in-town travelling plus 35% of the allowance under CSR 713(1).

Special day subsistence allowance

(7) If an officer, while on leave outside Hong Kong, is required to be on duty for the day (e.g. as member of an interview board), but is not required to spend the night away from his place of residence, he may be granted special day subsistence allowance at the following rates:

(a) 15% of the rates under CSR 713(1) for duty up to 8 hours a day;

(b) 25% of the rates under CSR 713(1) for duty more than 8 hours a day;

(c) The higher rate under paragraph (b) above is also payable to an officer who, in order to be on duty for less than 8 hours, is absent from his place of residence for a continuous period of not less than 12 hours, including travelling time.

(8) If an officer posted overseas is required to be on duty for the day for 8 hours or more (inclusive of travelling time) in a location which is of a distance not less than 100 km from his office and is not his city of residence, he may be permitted to draw a special day subsistence allowance at 15% of the subsistence allowance under CSR 713(1).
Appendix I (cont'd)

(9) An officer who is permitted to draw an allowance under paragraph (4), (5), (6), (7) and (8) cannot lodge a further claim under CSR 715.

(10) The approving officer under CSR 713(4) and (5) should not be below the rank of Deputy Director. Claims from Heads of Department should be forwarded to the relevant Permanent Secretary for approval personally. For cases of Permanent Secretaries themselves or Heads of Department without a policy bureau, Secretary for the Civil Service is the approving authority.

(11) The Secretary for the Civil Service may exceptionally approve a subsistence allowance to cover other circumstances.

Other reimbursable expenses

714 (1) Heads of Department may approve reimbursement of reasonable expenses, other than those covered by CSR 713(1), that are incurred directly as a result of an officer's performance of duty outside Hong Kong.

(2) Heads of Department may approve reimbursement of reasonable meals and other duty-related out-of-pocket expenses incurred during one-day duty trip outside Hong Kong.

(3) Heads of Department may authorize an officer not lower than the rank of Assistant Director or equivalent to give approval under CSR 714(1) and (2). Claims from a Head of Department should be forwarded to the relevant Permanent Secretary for approval personally. For cases of Permanent Secretaries themselves or Heads of Department without a policy bureau, Secretary for the Civil Service is the approving authority.
Appendix I (cont'd)

(4) Officers wishing to claim reimbursement under this Regulation must maintain detailed records of each expenditure item. Their claims for reimbursement must be supported by receipted bills and other relevant documents duly certified by themselves.

Reimbursement in excess of standard rates

715 (1) Where the rates of allowances laid down in CSR 712 or 713 are not adequate to cover actual expenses, the Secretary for the Civil Service may authorize reimbursement of such portion of the actual expenses incurred as he considers reasonably economical, having regard to special circumstances of the cases.

(2) If an officer wishes to claim under paragraph (1) above he must maintain careful and detailed records of each item of his expenditure throughout his absence on duty, and must submit one claim only in respect of the whole of that period, supported by receipted bills, vouchers, scales of charges or other documents duly certified by himself and covering his total expenditure.

Advance of subsistence allowance

716 If an officer is granted subsistence allowance under CSR 712 or 713, the Director of Accounting Services may advance him a sum not exceeding the estimated total of such allowance, subject to the following limitations:

(a) For officers on duty in Hong Kong or Macau, no advance will be issued unless the subsistence allowance will be payable for more than 7 consecutive days and not more than one advance will be granted for any period during which it is payable;
Appendix I (cont'd)

(b) an advance of subsistence allowance under CSR 713 must be cleared by the officer within 30 days of the end of the period for which it is issued or the date the officer returns to his normal place of work, whichever is the later. An advance under CSR 712 must, however, be cleared by the officer within 14 days.

B.  Civil Service Regulation 734: Travelling Expenses
(extracted from Chapter IV of the Civil Service Regulations: Salaries and Allowances)

Journeys Related to Duty Outside Hong Kong

734 (1) Where an officer travels to/from a transportation terminal in Hong Kong (e.g. airport, ferry or rail terminal etc.) for the purposes of performing duty outside Hong Kong, he may claim the full amount of travelling expenses incurred. Reimbursement will be based on the most appropriate mode of transport and route having regard to operational needs and cost-effectiveness. Taxi should only be used for a journey or part of a journey where other modes of public transport are unavailable or unsuitable (e.g. for an officer travelling from Hong Kong Island to the airport, where needed, he should only use taxi to travel from office/home to the nearest place where he can change to airport bus or Airport Express Line).

(2) Travelling expenses incurred for duty travel outside Hong Kong, or across the border or waters of Hong Kong, may be reimbursed if the approving authority is satisfied that such journeys are operationally necessary and that the most appropriate mode of transport has been used having regard to operational needs and cost-effectiveness.
Appendix I (cont'd)

(3) An officer travelling by ferry or train will normally be reimbursed fares on the most economical class. Where the Head of Department is satisfied that travelling on a higher class (if available) for the journey concerned is justified having regard to operational needs (e.g. the officer is required to travel in the same class with non-government personnel on official business) and cost-effectiveness, he may approve reimbursement of the fares of the higher class.

(4) An officer who has been authorised by the approving authority to use his private motor vehicle for journeys outside Hong Kong may be reimbursed at the rates prescribed in CSR Annex 4.9. Where approval for car hire has been given, he may be reimbursed the actual hiring and fuel costs. This does not apply to officers posted outside Hong Kong for whom separate arrangements are applicable.

(5) An officer on duty outside Hong Kong is normally not reimbursed taxi fares, except as provided under CSR 713(5), 713(6) or 714. A Head of Department may, however, approve a claim for reimbursement of taxi fares incurred if he is fully satisfied that a more economical mode of transport is not available or appropriate. The officer concerned should forward such a claim together with a full explanation of the circumstances to his Head of Department.

(6) If an officer on duty visit outside Hong Kong is in receipt of subsistence allowance under CSR 713 which already covers the cost of in-town travelling, he will not be separately reimbursed such travelling expenses under CSR 734. In-town travelling expenses may be reimbursed if he draws only an abated amount of subsistence allowance under CSR 713(5) or 713(6). Similarly, an officer will not be separately reimbursed any other travelling expenses under CSR 734 if he makes a claim for such expenses under CSR 714.
Appendix I (cont'd)

C. Civil Service Regulation 1365: Passages in Special Circumstances
(extracted from Chapter IX of the Civil Service Regulations: Passages and Baggage Allowances)

When travelling on duty outside Hong Kong

1365 (1) Except as provided in (2) and (3) below, an officer travelling by air on duty outside Hong Kong will normally be provided with passages of the following class –

<table>
<thead>
<tr>
<th>Office</th>
<th>Class of Air Travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>D4 to D8 or equivalent</td>
<td>Business Class (see Note below)</td>
</tr>
<tr>
<td>D3 and below or equivalent</td>
<td>Economy Class</td>
</tr>
</tbody>
</table>

Note: Officers are encouraged to travel on Economy Class for short flights where the flying time is less than 4 hours.

(2) (a) The passage for an officer travelling in the capacity of D3 and below or equivalent may be upgraded from Economy Class to Business Class under the following circumstances—

(i) where the flying time exceeds 9 hours (referring to the normal flying time, including transit time, according to the original route approved by the relevant Permanent Secretary/Head of Department for the duty visit); or

(ii) where the officer has to travel again within 7 calendar days from his last return from duty outside Hong Kong or where the officer is subject to a tight flight schedule of no less than 3 flights within 5 days; or
Appendix I (cont'd)

(iii) where the appropriate class of travel is not available on the route concerned and choice of other flights is not appropriate for the purpose of the visit; or

(iv) where the officer is required on duty to travel in the same class with another person or group of persons taking a higher class of passage than that normally provided to the officer.

(b) (Deleted)

(3) Notwithstanding (1) and (2) above, no upgrading will be allowed –

(a) for the outward journey to the duty place, if an officer takes leave outside Hong Kong before duty is performed; or

(b) for the return journey to Hong Kong, if an officer takes leave or is granted authorised absence under CSR 1111(4) after performance of duty outside Hong Kong or upon arrival in Hong Kong.

(4) Approval may be given for an officer to vary his duty passage arrangements for personal reasons subject to the following –

(a) the modification would not undermine the original justifications for the passage arranged by the Department;

(b) additional expenses, if any, must be met by the officer; and

(c) savings, if any, should not be used to subsidise the officer’s personal travel.
Appendix I (cont'd)

Where the modified passage is at a class of travel or fare level (e.g. Economy Class fare contains various fare levels such as Advanced Purchase Excursion (APEX), Point-to-Point, Excursion etc.) lower than the original unmodified passage, a fare level commensurate with that of the modified passage should be used for determining the cost to be borne by the Government.

(5) The authority for upgrading/modification of passage rests with Heads of Department, or the relevant Permanent Secretary (or supervising officer if there is no relevant Permanent Secretary) if the officer travelling is a Head of Department. For cases concerning officers at the rank of Permanent Secretary or equivalent, the authority rests with the Secretary for the Civil Service.
Appendix II

Provisions in the Code for Officials under the Political Appointment System governing politically appointed officials' travel on duty outside Hong Kong

Chapter 6: Travel – Travel outside Hong Kong

6.3 When travelling on duty outside Hong Kong, principal officials ("POs") and the Director of the Chief Executive's Office ("DCEO") shall be eligible to travel on first class at government expense. Where protocol requires the presence of the spouse, their spouses shall also be eligible to travel on first class at government expense.

6.4 POs and the DCEO (and their spouses) who are on duty outside Hong Kong shall be granted a subsistence allowance at the same rate and manner as those applicable to civil servants. They are subject to the same rules and regulations in relation to subsistence allowance applicable to civil servants.

6.5 The class of travelling on duty outside Hong Kong and the subsistence allowance for under secretaries (and their spouses) and political assistants are subject to the same rules and regulations as those applicable to civil servants at comparable levels.
Appendix III

Civil Service Regulations 750 and 751: Entertainment Expenses
(extracted from Chapter IV of the Civil Service Regulations: Salaries and Allowances)

750 (1) Heads of Department and officers duly authorised by their Head of Department may be reimbursed expenses arising from entertainment undertaken in the course of duty.

(2) Expenditure on entertainment may be charged to public funds when it is:

(a) directly related to the discharge of an officer's duties or a necessary part of making or maintaining contacts in his official capacity; and

(b) in the public interest.

(3) Expenditure arising from the presence of other Government officers and their spouses may be reimbursed when the Head of Department or the officer acting as host:

(a) considers it in the public interest that the principal guests should meet such officers; or

(b) considers it necessary to invite them to assist in entertaining the principal guests.

(4) The status of the guests and the standard of entertainment appropriate to the occasion must be taken into account when deciding the place and scale of entertainment.

(5) When official entertainment is combined with private entertainment only that proportion of the expenditure that is attributable to the presence of the host and hostess and of their official guests may be charged to public funds.
Appendix III (cont'd)

751 (1) The Head or Deputy Head of Department must personally authorise all expenditure from the departmental entertainment vote.

(2) Expenditure on official entertainment should be fully supported by receipts wherever possible. Claims for expenditure on home entertainment when receipts are not produced must be supported by full details and should be certified as reasonable by the Head or Deputy Head of Department personally.

(3) Vouchers must include sufficient supporting information to enable the Director of Audit to ascertain whether the provisions of these Regulations are being complied with. The list of guests for a particular function need not be attached to the voucher but must be retained for at least 12 months and produced for the Director of Audit's examination if required.

(4) In the case of large departments the authority referred to at CSR 751(1) and (2) may, with the consent of the Secretary for the Civil Service, be delegated to a directorate officer.

(5) Entertainment given in connection with opening ceremonies and similar functions may be debited to the entertainment votes provided that:

(a) these Regulations are complied with; and

(b) no special provision has been made under another subhead.
References

1. Civil Service Bureau. (Undated) *Civil Service Regulations*.


11. 《立法會電子剪報服務》，慧科訊業有限公司，2013年4月1日至2013年5月24日。