

政府總部
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**GOVERNMENT SECRETARIAT
HOME AFFAIRS BUREAU**
12TH FLOOR, WEST WING,
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HONG KONG

27 May 2019

OUR REF : ---
YOUR REF : CB4/PAC/R72
TEL NO. : 3509 8125
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Mr Anthony CHU
Clerk to Public Accounts Committee
Legislative Council
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Mr CHU,

**Public Accounts Committee
Consideration of Chapter 6 of the Director of Audit's Report No. 72
Hong Kong Arts Festival Society Limited**

I refer to your letter dated 15 May 2019 requesting further information from the Home Affairs Bureau (HAB) regarding the funding of the Hong Kong Arts Festival Society Limited (HKAFSL).

As set out in paragraph 3.5 of Chapter 6 of the Report, it is not the Government's policy that public funding should be the sole or principal source of income for arts groups. This applies to HKAFSL as well. Internationally, many arts festivals are relying more on private sponsorship/donations and depending less on government grants.

In Hong Kong, the Government encourages all arts groups/organisations to solicit more private sponsorship/donations and build up their audience base in order to diversify their income source and to help ensure that their programmes include elements that appeal to the community. In this connection, the Government launched the Art Development Matching Grants Scheme (the Scheme) in 2016 and HKAFSL is eligible to apply. So far, on top of the recurrent and

time-limited funding provided to the HKAFSL, we have approved a total of about \$72.25 million of matching grants under the Scheme to HKAFSL. The Leisure and Cultural Services Department will commence a review of the time-limited funding in 2020-21 before its expiry in 2023-24. Meanwhile, we also trust that HKAFSL would continue to work hard in soliciting private sponsorship/ donations and manage its finance prudently in order to ensure its smooth operation.

Yours sincerely,



(Kesson Lee)

for Secretary for Home Affairs

c.c

Director of Leisure and Cultural Services (fax no. 2691 4661)

Executive Director, Hong Kong Arts Festival Society Limited

(e-mail: tisa.ho@hkaf.org)

Secretary for Financial Services and the Treasury (fax no. 2147 5239)

Director of Audit (fax no. 2583 9063)