

## **NOTE FOR FINANCE COMMITTEE**

### **Creation of Advance Accounts for Executing Payments for Measures under the Anti-epidemic Fund**

#### **PURPOSE**

Encl. This paper informs Members of the creation of advance accounts exceeding the limit of \$10 million (at Enclosure) for the purpose of executing payments for measures under the Anti-epidemic Fund (AEF) from February to June 2020.

#### **BACKGROUND**

2. On 21 February 2020, the Finance Committee (FC) approved vide FCR(2019-20)46 the creation of a new commitment of \$30 billion for injection into the AEF to (i) enhance capability in combating the novel coronavirus epidemic and (ii) to provide assistance or relief to enterprises and members of the public hard hit by the present epidemic or affected by anti-epidemic measures.

3. On 18 April 2020, FC approved vide FCR(2020-21)2 a further injection of \$120.5 billion into AEF to provide funding for a second round of relief measures.

#### **OPERATIONAL FRAMEWORK OF AEF**

4. Under the operational framework of AEF, funding schemes are considered and approved by the AEF Steering Committee. Individual bureaux/departments (B/Ds) execute payments for measures under their ambits by charging against advance accounts created for the purpose. The payments will be subsequently reimbursed by AEF and net off the balances in the respective B/Ds' advance accounts.

5. For necessary financial control, separate advance accounts are created for individual initiatives and/or measures, irrespective if they are under the same vote controller.

6. B/Ds are responsible to ensure the amount to be disbursed and the administrative fees to be paid, if any, are within the budget approved by the AEF Steering Committee and are charged to the appropriate ambit. B/Ds are also required to ensure that proper and sufficient internal controls are in place to support the payment processing functions, which include among others maintaining adequate segregation of duties, performing proper certification and authorisation of payments within the financial limits, conducting independent check or review of transactions and relevant reports, maintaining proper accounting records, and taking prompt follow-up actions on errors and/or irregularities found.

7. In addition, B/Ds are required to maintain clear, accurate and sufficient account and procurement records for funds disbursed and administrative fees incurred in relation to the implementation of measures. When the measures are completed, B/Ds are required for timely clearance of the designated advance accounts.

8. We will continue to take all necessary steps to ensure proper use of public funds and report to FC on a regular basis for advance accounts created for executing payments for measures under AEF.

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**Creation of advance accounts exceeding the limit of \$10 million  
for the purpose of executing payments for measures under  
Anti-epidemic Fund (AEF)  
(February to June 2020)**

No.	Bureaux/ Departments (B/Ds) <sup>Note</sup>	Description of Measures	Financial Ceilings of Advance Accounts (\$ million)
<b>The first round of AEF –</b>			
1.	FHB(HB)	Enhancing support to the Hospital Authority in combatting the epidemic	4,700
2.	CEDB(CITB)	Support local mask production	60
3.	TID		1,440
4.	GLD	Global procurement of personal protective equipment	1,000
5.	HAD	Support property management sector in anti-epidemic efforts	1,000
6.	ITC	Technology applications to enable reusability of masks	800
7.	DEVB(WB)	Support construction sector in anti-epidemic efforts	914
8.	DH	Support cleansing and security staff engaged by Government and Housing Authority service contractors in anti-epidemic efforts	19.2467
9.	FEHD		147.752
10.	GPA		23.3035
11.	HD		178.7225
12.	HKPF		12.6291
13.	LCSD		103.2603
14.	CEDB(CCIB)		Installation of emergency alert system
15.	OGCIO	Home quarantine support	107

No.	Bureaux/ Departments (B/Ds) <sup>Note</sup>	Description of Measures	Financial Ceilings of Advance Accounts (\$ million)
16.	HD	Ex-gratia payment to households of the two public housing estates designated as quarantine centres	83
17.	OCSFS	Retail Sector Subsidy Scheme	5,600
18.	FEHD	Food Licence Holders Subsidy Scheme	3,780
19.	TD	Subsidy for the transport sector	3,139.9
20.	MD		204.5
21.	CEDB(CITB)	Convention and Exhibition Industry Subsidy Scheme	1,020
22.	WFSFAA	Special allowance for eligible working family allowance and student financial assistance households	990
23.	EDB	Additional student study grant for 2019-20 school year	900
24.	ITB	Rental waivers for tenants at the Science Park, industrial estates and Cyberport	100
25.	ITC		280
26.	AFCD	Subsidies for live marine fish wholesale traders and fishing vessels with Mainland deckhands	322
27.	SWD	Support to child care centres	246.2
28.	HAB	Arts and Culture Sector Subsidy Scheme	150
29.	CEDB(CITB)	Licensed Guesthouses Subsidy Scheme	150
30.	CEDB(CITB)	Travel Agents Subsidy Scheme	140
31.	LWB	Support to training bodies	90
32.	FEHD	Licensed Hawkers Subsidy Scheme	30

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No.	B/Ds <sup>Note</sup>	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)
<b>The second round of AEF –</b>			
1.	OCSFS	Employment Support Scheme	81,151.3
2.	CEDD	Job Creation Scheme	224
3.	LandsD		58.4
4.	FSTB(FSB)		189
5.	ArchSD		30.73035
6.	DoJ		25
7.	DSD		214
8.	FEHD		94
9.	FSD		59.95
10.	EPD		86.633
11.	CEDB(CITB)		15
12.	TRY		21
13.	WFSFAA		12.4
14.	REO		19.60995
15.	DoJ		LAWTECH Fund
16.	DoJ	COVID-19 Online Dispute Resolution Scheme	70
17.	CEDB(CITB)	Subsidy for encouraging early deployment of 5G	60
18.	ITC	Distance Business Programme	500
19.	DEVB(WB)	Training subsidies for consultants in the construction sector	30
20.	EDB	Relief grant for tutorial schools	120
21.	EDB	Relief grants to school-related service providers (including catering, interest groups, school bus services)	421.2
22.	LCSD	One-off grant to registered sports coaches	115.51

<b>No.</b>	<b>B/Ds <sup>Note</sup></b>	<b>Description of Measures</b>	<b>Financial Ceiling of Advance Accounts (\$ million)</b>
23.	SWD	Relief grants for freelance workers hired by subvented non-governmental welfare organisations to provide training and coaching for service users	61.5
24.	AFCD	Subsidies for local primary producers	76
25.	FSTB(FSB)	Special subsidy to exchange participants and Securities and Futures Commission Licensees	140
26.	HD	Cash subsidy for individual licensees in the estate agency sector	135
27.	TD	Subsidy for the passenger transport sector	3,524.35
28.	CEDB(CCIB)	Providing relief to creative industries	89
29.	CEDB(CITB)	Tourism Industry Support Schemes	1,064
30.	DEVB(WB)	Relief measures for construction sector	6,195
31.	DEVB(WB)	Subsidy to operators of revitalising historic buildings through Partnership Scheme, PMQ and Fly the Flyover Operation	36
32.	CAD	Subsidy for the aviation sector	267
33.	THB(TB)		100
34.	FEHD	Catering Business (Social Distancing) Subsidy Scheme	9,520
35.	HAD	Amusement Game Centre Subsidy Scheme	24
36.	HAB	Fitness Centres Subsidy Scheme	171
37.	FEHD	Places of Public Entertainment Licence Holder Subsidy Scheme	24
38.	OCSFS	Beauty Parlours, Massage Establishment Premises and Party Rooms Subsidy Scheme	1,100
39.	HAD	Club-house Subsidy Scheme	58
40.	TD	Fare concession of MTR and temporary relaxation of the monthly threshold of the Public Transport Fare Subsidy Scheme	800

No.	B/Ds <sup>Note</sup>	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)
<b>New measures using contingency funding of AEF -</b>			
1.	SWD	Application of Anti-virus Coating for Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities	80
2.	DH	Enhancing Support for Testing Service on COVID-19	229
3.	ENB	Subsidy Scheme to the Laundry Trade	90
4.	LD	Subsidy for Employment Agencies	117.28
5.	CEDB(CITB)	Hong Kong Export Credit Insurance Corporation's 100% Credit Limit Top-Up Scheme	300

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**Note**

The abbreviations for B/Ds are explained as follows –

<b>Abbreviations</b>	<b>Name of B/Ds</b>
AFCD	Agriculture, Fisheries and Conservation Department
ArchSD	Architectural Services Department
CAD	Civil Aviation Department
CEDB(CCIB)	Commerce and Economic Development Bureau (Communications and Creative Industries Branch)
CEDB(CITB)	Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)
CEDD	Civil Engineering and Development Department
DEVB(WB)	Development Bureau (Works Branch)
DH	Department of Health
DoJ	Department of Justice
DSD	Drainage Services Department
EDB	Education Bureau
ENB	Environment Bureau
EPD	Environmental Protection Department
FEHD	Food and Environmental Hygiene Department
FHB(HB)	Food and Health Bureau (Health Branch)
FSD	Fire Services Department
FSTB(FSB)	Financial Services and the Treasury Bureau (Financial Services Branch)
GLD	Government Logistics Department
GPA	Government Property Agency
HAB	Home Affairs Bureau
HAD	Home Affairs Department
HD	Housing Department
HKPF	Hong Kong Police Force
ITB	Innovation and Technology Bureau
ITC	Innovation and Technology Commission
LandsD	Lands Department
LCSD	Leisure and Cultural Services Department
LD	Labour Department
LWB	Labour and Welfare Bureau
MD	Marine Department
OCSFS	Offices of the Chief Secretary for Administration and the Financial Secretary
OGCIO	Office of the Government Chief Information Officer
REO	Registration and Electoral Office
SWD	Social Welfare Department
TD	Transport Department
THB(TB)	Transport and Housing Bureau (Transport Branch)
TID	Trade and Industry Department
TRY	Treasury
WFSFAA	Working Family and Student Financial Assistance Agency

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