

Opening Remarks**Audit Report No.74 of the Director of Audit
Public Accounts Committee (Public Hearing) on 25 March 2020****Chapter 2 – SPORTS FEDERATION & OLYMPIC COMMITTEE OF HONG KONG, CHINA
(SF&OC)****Opening Remarks of Mr. Ronnie M.C. WONG, Hon. Secretary General**

Honorable Chairman SHEK and Councilors,

First of all, on behalf of SF&OC, I would like to thank the Audit Commission in conducting the first-ever comprehensive audit since our establishment. The Audit Report observed valuable recommendations on various aspects of SF&OC including our operation efficiency, membership affairs and corporate governance, etc. I would like to thank also the Public Accounts Committee of the Legislative Council in offering an opportunity for us to clarify certain misreported issues by responding to Councilors' concern in this Public Hearing.

Before responding, I would like to briefly introduce to the Committee the development of SF&OC and our collaborative relationship with HAB.

SF&OC was founded in the early 50s by a group of sports enthusiasts (including the recently deceased Hon. A. de. O. SALES), and officially joined the International Olympic Committee as the "Amateur Sports Federation & Olympic Committee of Hong Kong" in mid-1951. After the return of Hong Kong to China in 1997, it was recognized by the International Olympic Committee (IOC) as the National Olympic Committee (NOC) of "Hong Kong, China" to continue to promote Hong Kong's sports development, foster the Olympic spirit, and organize and select the Hong Kong, China delegation to participate in international multi-sports Games. To raise our management standard and professionalism, SF&OC was incorporated under the Companies Ordinance as a company limited by guarantee in 2017.

Through almost 70 years of effort, SF&OC has gradually grown from an amateur sports society of merely a dozen sports to an organization with 79 National Sports Associations (NSAs). Always abiding by tradition and the Olympic objectives, SF&OC is managed by a group of sports enthusiasts and retired athletes on a voluntary basis which form the backbone of the organization. The effort of the management has resulted in recent years in athletes achieving outstanding results in the international sports arena, the public's increased understanding and interest in sports and a substantial increase of sports activities and competitions at international standard, which adds to the workload of SF&OC. In view of this, SF&OC established a secretariat office with a couple of staff in the Queen Elizabeth Stadium in 1998 with the help of various parties and government funding. In 2004, SF&OC moved into the Olympic House and through 20 years of hard work, expanded into four offices to provide diversified supporting services to athletes and promote sports for all in Hong Kong. The four offices are:

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- (1) The Secretariat of SF&OC is responsible for communication with international sports organizations, including IOC, Olympic Council of Asia (OCA), World Anti-Doping Agency (WADA), supporting various committees, keeping close contact with and providing timely support to NSAs, organizing and selecting athletes to participate in international multi-sports Games, collaborating with the Government, local sports organizations and communities, and organizing mega events, such as Festival of Sport, Hong Kong Sports Stars Awards and Olympic Day, etc.
- (2) Established in July 2008, the Hong Kong Athletes Career and Education Programme is committed to providing athletes with all rounded services including consultation, career support (including career expo, career consultation and talk), life skills training and education (including online English course and education scholarship programme) etc., to help them equip themselves for their post-athletic career transition.
- (3) Established in September 2008, the Hong Kong Anti-Doping Committee is committed to preserving a doping-free environment in competitions, ensuring Hong Kong's Anti-Doping Rules in full compliance with the "World Anti-Doping Code" and the relevant international regulations, conducting doping tests for athletes and providing anti-doping educational and outreach programmes.
- (4) The Management Company of Olympic House Limited is an affiliated company of SF&OC, which has been entrusted by the Government to manage Olympic House since 2004. Olympic House is the administrative hub of the sports community. Apart from providing tenancy services to SF&OC and 45 NSAs, the meeting facilities of Olympic House are available for hiring by public and business organizations.

SF&OC is a non-profit making and non-government organization. In the early stages of its establishment, funding for its various activities and participation in international multi-sports Games were mainly self-financed. The Government later on began subsidizing part of the expenses incurred in participating in international multi-sports Games. Since the mode of voluntary working could not meet with the increased demand and complexity of its work, SF&OC received Government subvention in 1998 to employ full-time staff to carry out the long-term work in sports development. Thereafter, SF&OC actively collaborates with the Government to pool together resources from the Government, IOC, sponsors and its own savings to develop various sports programmes.

Going from an amateur society to a company of the current scale, SF&OC has always proactively aimed to enhance its management standard. This value for money audit was conducted mainly to supplement the audit of HAB's management of funding for sports development. Those related to SF&OC are (1) operation of SF&OC, (2) Government funding and monitoring, and (3) governance issues. The SF&OC Board of Officers, in general, welcome the Audit Commission's recommendations

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regarding the effective use of Government funding and consider it a natural progression in further raising the professional standard of SF&OC.

The Board of Officers, in future, will carefully study the relevant issues and adopt appropriate follow-up measures. Initially, we plan to establish a Steering Committee composed of independent professionals to supervise the process of improving the governance of SF&OC and NSAs, as well as to implement the Report's recommendations. SF&OC will also effectively utilize the increased subvention to employ a professional team of full-time staff to be led by the Steering Committee to enhance the governance and transparency of SF&OC and NSAs.

SF&OC's endeavour for Hong Kong sports development has over the decades not only brought about the steady progress of Hong Kong sports, but also infused positive energy into the Hong Kong society. Thereafter, we will aim to achieve effective management of public funding by continuing our close communication with HAB to report the progress of improvement in respective areas. Our target is to raise public interest in sports, promote the Olympic Spirit and sports in the community, and to provide more comprehensive support to athletes participating in international competitions.

Lastly, since the issue of selection mechanism for Hong Kong, China delegation to international multi-sports Games is of particular concern for the public, we will briefly explain it before responding to further questions.

According to the Olympic Charter, SF&OC, as NOC of Hong Kong, China, has the exclusive authority for the representation of the territory in international multi-sports Games. SF&OC is responsible for selecting athletes to participate in respective Games based on NSAs' nominations.

In general, the selection process involves two stages:

First stage (conducted by NSAs)

NSAs concerned in an international multi-sports Games will set their own selection criteria and minimum standard based on their uniqueness and the requirement of the Organizing Committee of the Games (such as number of participating athletes and age limit, etc). Those criteria might include results of selection competitions, and other subjective and objective factors. NSAs are also required to set up an appeal mechanism for their selection process. The selection process and criteria should be announced to all concerned parties in a timely manner, and submitted to SF&OC for reference.

These requirements are listed in SF&OC's circular inviting NSAs' nominations. The circular also lists out SF&OC's selection criteria for reference.

Second stage (conducted by SF&OC)

The SF&OC's Selection Committee will be chaired by the Hon. Secretary General (i.e. myself). Members include a number of representatives from various NSAs. The Committee will consider and evaluate the nomination lists and relevant information submitted by NSAs based on the criteria previously released. All selection criteria are based on objective measures as a control to evaluate whether the local nominations meet the required standard when compared with those of other countries/regions. These criteria are those listed as 1(a) and 1(b) on page 24 of the Report (page 27 in English version)(Case 1):

- (a) athletes ranked 1st to 8th in multi-sports Games/World or Asian Championships in the previous four years, on condition that there are a minimum of four participants in the competition(s) and the athletes ranked one-third or above among the total number of participants;
- (b) participated in the latest Olympic Games;

The Selection Committee will then consider those athletes who do not meet criteria 1(a) and 1 (b) with reference to criteria 1(c) and 1(d) listed on page 24 of the Report (page 27 in English version):

- (c) athletes' best performance in the nominated events in the previous four years; and
- (d) NSAs' preparation plans for training and competitions designed for the athletes.

If circumstances permit, the Selection Committee will invite NSA representatives to attend the Selection Committee meeting to brief members about their nominations. The Selection Committee will, after discussion and consideration, make a collective decision to select the most suitable athletes to strive for the best results.

The selection results will be communicated to the NSAs concerned in a timely manner. Athletes who are not satisfied with the results of the Selection Committee may file a review request with additional supporting information through their NSA. The number of reviews is not limited. Athletes may also file an appeal to the International Multi-Sports Games Appeal Panel for their final decision.

Regarding Case 1 mentioned on page 24 of the Report (page 27 in English version), SF&OC has published two separate announcements on 23 and 28 August 2018 to clarify the matter, while HAB also explained the matter at the Legislative Council.

Thank you!

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