

NOTE FOR FINANCE COMMITTEE

Creation and Change of Ceilings of Advance Accounts for Executing Payments for Measures under the Anti-epidemic Fund

PURPOSE

Encl. This paper informs Members of the creation and change of ceilings 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 October to December 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. On 28 September 2020, FC further approved vide FCR(2020-21)71 an increase in commitment of \$5.4 billion for injection into AEF to provide funding for a third round of relief measures.

4. On 21 December 2020, FC approved vide FCR(2020-21)77 to inject \$6.4 billion into AEF to provide further relief to businesses and individuals hard hit by the further tightening of social distancing measures in response to the resurgence of pandemic.

/OPERATIONAL

OPERATIONAL FRAMEWORK OF AEF

5. 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.

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

7. B/Ds are responsible for ensuring 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 accounts. 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.

8. 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.

9. 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.

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

No.	Bureaux/ Departments (B/Ds)^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)^{Note 2}
The second round of AEF –			
1.	BD	Job Creation Scheme	356.76
2.	ORO		12.44
3.	THB(TB)		10.82
4.	ITB	Job Creation Scheme (Non-government Sector)	39.68
5.	SWD		130.8
6.	FSTB(FSB)	Job Creation Scheme (Mandatory Provident Fund Schemes Authority)	16.56
7.	LD	Job Creation Scheme (New Graduates - New Opportunities Scheme)	136.51
8.	CEDB(CITB)	Job Creation Scheme (Ocean Park)	20.90
9.	ITC	Job Creation Scheme (Private Sector)	98

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No.	B/Ds^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)^{Note 2}
The third round of AEF –			
1.	SWD	Quarantine centres for residents of residential care homes for the elderly and residential care homes for persons with disabilities	730
2.	DH	Quarantine facilities	610
3.	FEHD	Promotion of contactless payment in public markets	60
4.	FEHD	Catering Business Subsidy Scheme	1,670.65
5.	CEDB(CITB)	Tourism Industry Support Scheme	358.7
6.	OCSFS	Beauty Parlours, Massage Establishments and Party Rooms Subsidy Scheme (Second Round)	270
7.	TD	Subsidy for the transport sector	163.65
8.	MD		42
9.	CAD	Subsidy for the aviation sector	16
10.	THB(TB)		27.5
11.	EDB	One-Off relief grant to providers of catering services for schools and post-secondary education institutions and providers of interest classes and school bus services for schools	248.9
12.	SWD	One-off special grant to eligible child care centres	130
13.	HAB	Fitness Centre Subsidy Scheme	85.5

No.	B/Ds^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)^{Note 2}
14.	EDB	One-off grant to kindergartens and private schools	67.45
15.	EDB	One-off grant to private schools offering non-formal curriculum	60
16.	LCSD	One-off grant to registered sports coaches	45
17.	HAD	Club-house Subsidy Scheme	33
18.	HAB	Sports Premises Subsidy Scheme	34
19.	SWD	Scheme on relief grants for interest class instructors hired by subvented non-governmental welfare organisations	30
20.	HAB	Arts and Culture Sector Subsidy Scheme	23
21.	FEHD	Places of Public Entertainment Licence Holder Subsidy Scheme	11.33
22.	HAD	Amusement Game Centres Subsidy Scheme	11.7
23.	CEDB(CCIB)	Cinemas Subsidy Scheme	10.5
New measures using contingency funding of AEF –			
1.	LWB	Training subsidies for employers of engineering graduates	77.72
2.	CEDB(CITB)	Tourism Industry Additional Support Scheme	564

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**Change of ceilings of advance accounts exceeding the limit of \$10 million
for the purpose of executing payments for measures under AEF
(October to December 2020)**

No.	B/Ds ^{Note 1}	Description of Measures	Original Financial Ceilings of Advance Accounts (\$ million) ^{Note 2}	Revised Financial Ceilings of Advance Accounts (\$ million) ^{Note 2}
The first round of AEF –				
1.	CEDB(CITB)	Support local mask production	60	90
2.	TID		1,440	1,010
3.	HAD	Support property management sector in anti-epidemic efforts	1,000	1,122
4.	ITC	Technology applications to enable reusability of masks	800	230
5.	DH	Support cleansing and security staff engaged by Government and Housing Authority service contractors in anti-epidemic efforts	19.25	21.25
6.	OCSFS	Retail Sector Subsidy Scheme	5,600	5,516.14
7.	FEHD	Food Licence Holders Subsidy Scheme	3,780	3,750
8.	TD	Subsidy for the transport sector	3,139.9	2,937.9
9.	MD		204.5	182.87

No.	B/Ds^{Note 1}	Description of Measures	<u>Original</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}	<u>Revised</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}
10.	WFSFAA	Special allowance for eligible working family allowance and student financial assistance households	990	895
11.	EDB	Additional student study grant for 2019-20 school year	900	875
12.	ITB	Rental waivers for tenants at the Science Park, industrial estates and Cyberport	100	96.4
13.	ITC		280	242
14.	AFCF	Subsidies for live marine fish wholesale traders and fishing vessels with Mainland deckhands	322	281.76
15.	SWD	Support to child care centres	246.2	245.82
16.	HAB	Arts and Culture Sector Subsidy Scheme	150	137.2
17.	CEDB(CITB)	Licensed Guesthouses Subsidy Scheme	150	124.02
18.	CEDB(CITB)	Travel Agents Subsidy Scheme	140	137.52
19.	LWB	Support to training bodies	90	87.81
20.	FEHD	Licensed Hawkers Subsidy Scheme	30	26.44

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No.	B/Ds ^{Note 1}	Description of Measures	Original Financial Ceilings of Advance Accounts (\$ million) ^{Note 2}	Revised Financial Ceilings of Advance Accounts (\$ million) ^{Note 2}
The second round of AEF –				
1.	OCSFS	Employment Support Scheme	81,151.3	91,351.3
2.	AFCD	Job Creation Scheme	34.68	39.86
3.	CSB		4.14	102.38
4.	HAD		4.6	27.8
5.	HD		69.08	116.46
6.	LCSD		207.1	274.9
7.	WSD		164.1	373.2
8.	EPD	Job Creation Scheme (Graduates)	24	57
9.	CEDB(CCIB)	Subsidy for encouraging early deployment of 5G	60	55
10.	EDB	Relief grant for tutorial schools	120	97.1
11.	EDB	Relief grants to school-related service providers (including catering, interest groups, school bus services)	421.2	349.68
12.	LCSD	One-off grant to registered sports coaches	115.51	63.75

No.	B/Ds^{Note 1}	Description of Measures	<u>Original</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}	<u>Revised</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}
13.	SWD	Relief grants for freelance workers hired by subvented non-governmental welfare organisations to provide training and coaching for service users	61.5	31.5
14.	AFCD	Subsidies for local primary producers	76	71.95
15.	FSTB(FSB)	Special subsidy to exchange participants and Securities and Futures Commission Licensees	140	106.56
16.	HD	Cash subsidy for individual licensees in the estate agency sector	135	130
17.	TD	Subsidy for the passenger transport sector	3,526.15	3,634.15
18.	CEDB(CCIB)	Providing relief to creative industries	89	92.5
19.	CEDB(CITB)	Tourism Industry Support Schemes	1,064	749.4
20.	DEVB(WB)	Relief measures for construction sector	6,195	5,795
21.	THB(TB)	Subsidy for the aviation sector	100	76

No.	B/Ds^{Note 1}	Description of Measures	<u>Original</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}	<u>Revised</u> Financial Ceilings of Advance Accounts (\$ million)^{Note 2}
22.	FEHD	Catering Business (Social Distancing) Subsidy Scheme	9,520	4,650
23.	HAD	Amusement Game Centre Subsidy Scheme	24	20.7
24.	HAB	Fitness Centres Subsidy Scheme	171	166.4
25.	FEHD	Places of Public Entertainment Licence Holder Subsidy Scheme	25.02	24.2
26.	OCSFS	Beauty Parlours, Massage Establishment Premises and Party Rooms Subsidy Scheme	1,100	707
27.	HAD	Club-house Subsidy Scheme	58	56.4

/New

No.	B/Ds ^{Note 1}	Description of Measures	<u>Original</u> <u>Financial</u> <u>Ceilings of</u> <u>Advance</u> <u>Accounts</u> <u>(\$ million)</u> ^{Note 2}	<u>Revised</u> <u>Financial</u> <u>Ceilings of</u> <u>Advance</u> <u>Accounts</u> <u>(\$ million)</u> ^{Note 2}
New measures using contingency funding of AEF –				
1.	SWD	Application of anti-virus coating for residential care homes for the elderly and residential care homes for persons with disabilities	80	76
2.	DH	Enhancing support for testing service on COVID-19	229	207.5
3.	EPD	Subsidy Scheme to the Laundry Trade	90	85
4.	LD	Subsidy for Employment Agencies	117.28	102.62
5.	MD	Provision of extra subsidy to owners of pleasure vessels let for hire or reward	17	14.68
6.	SWD	Procurement of private COVID-19 testing services for all staff of residential care homes for the elderly, residential care homes for persons with disabilities and nursing homes	44	68.4
7.	CMAB	Universal Community Testing Programme	31.24	14
8.	CSB		62.3	435.3
9.	OGCIO		89.1	77

Notes –

1 The abbreviations for B/Ds are explained as follows –

Abbreviations	Name of B/Ds
AFCDD	Agriculture, Fisheries and Conservation Department
BD	Buildings 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)
CMAB	Constitutional and Mainland Affairs Bureau
CSB	Civil Service Bureau
DEVB(WB)	Development Bureau (Works Branch)
DH	Department of Health
EDB	Education Bureau
EPD	Environmental Protection Department
FEHD	Food and Environmental Hygiene Department
FSTB(FSB)	Financial Services and the Treasury Bureau (Financial Services Branch)
HAB	Home Affairs Bureau
HAD	Home Affairs Department
HD	Housing Department
ITB	Innovation and Technology Bureau
ITC	Innovation and Technology Commission
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
ORO	Official Receiver's Office
SWD	Social Welfare Department
TD	Transport Department
THB(TB)	Transport and Housing Bureau (Transport Branch)
TID	Trade and Industry Department
WSD	Water Supplies Department
WFSFAA	Working Family and Student Financial Assistance Agency

2 The financial ceilings of advance accounts in \$ million are rounded to two decimal places.
