

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 January to March 2021.

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)
(January to March 2021)**

No.	Bureaux/ Departments (B/Ds) ^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million) ^{Note 2}
The second round of AEF –			
1.	CEDB(CCIB)	Job Creation Scheme (Internship Programmes)	30.48
2.	DEVB(WB)	Job Creation Scheme (Electrical and Mechanical Services Trading Fund)	35.3
3.	FSTB(FSB)	Job Creation Scheme (Insurance Authority)	17.77
The fourth round of AEF –			
1.	FEHD	Catering Business Subsidy Scheme	3,400
2.	OCSFS	Beauty Parlours, Massage Establishments and Party Rooms Subsidy Scheme (Third Round)	666
3.	MD	Pleasure Vessels Subsidy Scheme (Third Round)	34
4.	EDB	One-off relief grant to providers of catering services for schools as well as post-secondary education institutions, interest classes and school bus services for schools	361.8
5.	SWD	Support to child care centres	260

No.	B/Ds^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million)^{Note 2}
6.	HAB	Fitness Centre and Sports Premises Subsidy Scheme	190
7.	EDB	One-off grant to kindergartens and private schools	135
8.	EDB	One-off grant to private schools offering non-formal curriculum	108
9.	HAD	Club-house Subsidy Scheme	80
10.	LCSD	One-off grant to registered sports coaches	75
11.	SWD	Scheme on relief grants for interest class instructors hired by subvented non-governmental welfare organisations	45
12.	HAB	Arts and Culture Sector Subsidy Scheme	40
13.	LCSD	Ex-gratia payment to part-time instructors/staff/personnel affected by cancellation of sports & recreation and culture programmes organised by the Leisure and Cultural Services Department	36
14.	FEHD	Places of Public Entertainment Licence Holder Subsidy Scheme	28
15.	HAD	Amusement Game Centres Subsidy Scheme	24
16.	CEDB(CCIB)	Cinemas Subsidy Scheme	21

/New

No.	B/Ds ^{Note 1}	Description of Measures	Financial Ceiling of Advance Accounts (\$ million) ^{Note 2}
New measures using contingency funding of AEF –			
1.	FHB(HB)	Three-pronged COVID-19 testing strategy	432
2.	DH		80
3.	DH	Designated hotels and guesthouses for persons under compulsory quarantine arriving at Hong Kong from overseas (outside China)	332.1
4.	LD	Greater Bay Area Youth Employment Scheme	376
5.	FEHD	Food Courts Subsidy Scheme	80

/Change

**Change of ceilings of advance accounts exceeding the limit of \$10 million
for the purpose of executing payments for measures under AEF
(January to March 2021)**

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}
The first round of AEF –				
1.	HAD	Support property management sector in anti-epidemic efforts	1,122	1,114
2.	ITC	Technology applications to enable reusability of masks	230	182
3.	DEVB(WB)	Support construction sector in anti-epidemic efforts	914	864
4.	FEHD	Support cleansing and security staff engaged by Government and Housing Authority service contractors in anti-epidemic efforts	147.75	130.46
5.	GPA		23.3	22.91
6.	HD		178.72	165.63
7.	HKPF		12.63	12.55
8.	LCSD		115.5	107.29
9.	HD	Ex-gratia payment to households of the two public housing estates designated as quarantine centres	83	76.72

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.	FEHD	Food Licence Holders Subsidy Scheme	3,750	3,749.5
11.	TD	Subsidy for the transport sector	2,937.9	2,766.9
12.	AFCDD	Subsidies for live marine fish wholesale traders and fishing vessels with Mainland deckhands	281.76	280
The second round of AEF –				
1.	ArchSD	Job Creation Scheme	30.73	304.94
2.	BD		356.76	375.53
3.	CEDD		260	261.98
4.	WFSFAA		12.4	12.5
5.	WSD		373.2	410.1
6.	DEVB(WB)	Job Creation Scheme (Engineering, Architectural, Surveying, Town Planning and Landscape Sectors)	200.49	253.82
7.	ITC	Distance Business Programme	1,500	1,900
8.	DEVB(WB)	Training subsidies for consultants in the construction sector	30	23.1

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}
9.	EDB	Relief grants to school-related service providers (including catering, interest groups, school bus services)	349.68	349.19
10.	LCSD	One-off grant to registered sports coaches	63.75	63.72
11.	AFCD	Subsidies for local primary producers	71.95	71.72
12.	HD	Cash subsidy for individual licensees in the estate agency sector	130	127
13.	DEVB(WB)	Relief measures for construction sector	5,795	5,645
The third round of AEF –				
1.	FEHD	Promotion of contactless payment in public markets	60	33.3
2.	FEHD	Catering Business Subsidy Scheme	1,670.65	1,470.65
3.	MD	Subsidy for the transport sector	42	46

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}
4.	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	226.9
5.	SWD	One-off special grant to eligible child care centres	130	122.65
6.	HAB	Fitness Centre Subsidy Scheme	85.5	83.5
7.	EDB	One-off grant to kindergartens and private schools	67.45	66.35
8.	EDB	One-off grant to private schools offering non-formal curriculum	60	47
9.	LCSD	One-off grant to registered sports coaches	45	49
10.	HAD	Club-house Subsidy Scheme	33	32.9
11.	HAB	Sports Premises Subsidy Scheme	34	5
12.	HAD	Amusement Game Centres Subsidy Scheme	11.7	11.6

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}
New measures using contingency funding of AEF –				
1.	EMSD	One-off subsidy to vehicle maintenance workshop	140	143.95
2.	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	68.4	102
3.	FEHD	Procurement of Private COVID-19 Testing Services for frontline staff of catering businesses with seating areas	160	182

/Notes

Notes –

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

Abbreviations	Name of B/Ds
AFCD	Agriculture, Fisheries and Conservation Department
ArchSD	Architectural Services Department
BD	Buildings Department
CEDB(CCIB)	Commerce and Economic Development Bureau (Communications and Creative Industries Branch)
CEDD	Civil Engineering and Development Department
DEVB(WB)	Development Bureau (Works Branch)
DH	Department of Health
EDB	Education Bureau
EMSD	Electrical and Mechanical Services Department
FEHD	Food and Environmental Hygiene Department
FHB(HB)	Food and Health Bureau (Health Branch)
FSTB(FSB)	Financial Services and the Treasury Bureau (Financial Services Branch)
GPA	Government Property Agency
HAB	Home Affairs Bureau
HAD	Home Affairs Department
HD	Housing Department
HKPF	Hong Kong Police Force
ITC	Innovation and Technology Commission
LCSD	Leisure and Cultural Services Department
LD	Labour Department
MD	Marine Department
OCSFS	Offices of the Chief Secretary for Administration and the Financial Secretary
SWD	Social Welfare Department
TD	Transport 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.
