

**Letterhead of GOVERNMENT SECRETARIAT**

LOWER ALBERT ROAD HONG KONG

Our Ref.: CSO/ADM CR 8/1136/98

Your Ref.:

30 March 1999

Dr Hon Leong Che-hung, JP  
Chairman of the House Committee  
Legislative Council  
Legislative Council Building  
8 Jackson Road, Central  
Hong Kong

Dear

**Designation of Officials to attend LegCo Meetings**

At your meeting with the Chief Secretary for Administration on 1 March, you raised the point on why the Chief Executive of the Hong Kong Monetary Authority (HKMA) should be considered as an official and hence designated under Article 62(6) of the Basic Law. I have sought further clarification from the Department of Justice and the Financial Services Bureau which is set out below.

Under Article 62(6) of the Basic Law, the Government can designate officials to sit in on the meetings of the Legislative Council **and to speak on behalf of the Government**. The Chief Executive of the HKMA is included in the designation since HKMA is an integral part of the Administration. Under section 5A of the Exchange Fund Ordinance (Cap 66), HKMA is under the direct authority of the Financial Secretary. Unlike statutory corporations or bodies whose ordinances stipulate independence from the Government, HKMA is part of the Government. The HKMA in fact takes the lead in the formulation and implementation of monetary policy, including promoting and safeguarding the general stability and effective working of the banking system. The Chief Executive of the HKMA is best placed to speak on behalf of the Government on such policy areas.

I hope the above can help clarifying Members' doubt on the issue.

(Mrs Carrie Yau)  
Director of Administration