

**Replies to initial written questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2004-05**

Controlling Officer : Director, Beijing Office

Session No. : 15

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Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO001

Head : 35 Government Secretariat: Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

0102

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

The estimated provision will increase by \$1.5 million (4.5%) to pay, among others, the one-off allowances for staff on transfer. What are the details?

Asked by : Hon. LAU Wai-hing, Emily

Reply :

The major components of the estimated increased provision of \$1.5m are as follows –

	(\$'000)
(a) One-off subsistence allowance for staff on commencement of posting and at end of posting	473
(b) Disturbance allowance	423
(c) Employment of local staff and payment of salary increment	311
(d) Payment of pre-retirement leave salary and acting allowance	262
Total	1,469
Say	1,500

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO002

Head : 35 Government Secretariat: Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

0103

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

Will the estimated provision of \$1.5 million also cover the provision for the project to acquire permanent accommodation for the Beijing Office? If not, please give the details.

Asked by : Hon. LAU Wai-hing, Emily

Reply :

The provision for the project to acquire permanent accommodation for the Beijing Office is a charge under Head 703 Capital Works Reserve Fund Subhead 3066KA. It is not related to the increased provision of \$1.5m.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO003

Question Serial No.

0261

Head : 35 Government Secretariat: Beijing Office

Subhead (No. & title) : 000 Operational expenses

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

With regard to the statement “provide logistical support to visiting delegations of the Government of the HKSAR” in Item 4 of the Brief Description, do the “delegations” include those of the LegCo Members? If yes, to which delegations of the LegCo Members have logistical support been provided? If not, please explain why.

Asked by : Hon. LI Ka-cheung, Eric

Reply :

No. The delegations mentioned in the Brief Description refer to those comprising mainly HKSARG officials.

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Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO004

Head : 35 Government Secretariat: Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

0262

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

What radio station does the “Central National Radio” in Item 9 of the Brief Description refer to?

Asked by : Hon. LI Ka-cheung, Eric

Reply :

“Central National Radio” should read “China National Radio”.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO005

Question Serial No.

0656

Head : 35 Government Secretariat: Beijing Office

Subhead (No. & title) : 000 Operational expenses

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

Please provide the number of enquiries, request for assistance and complaint cases, with a breakdown by nature of cases. Please also provide a breakdown of number of cases that have been referred to different departments (including those in Hong Kong and the Mainland) for handling.

Asked by : Hon. LEE Chu-ming, Martin

Reply :

The Beijing Office handled a total of 288 public enquiries and 321 requests for assistance (other than those relating to personal safety) in 2003. Details are as follows :

- Public enquiries : 32 cases relating to trade and business, 66 cases seeking information on the Government of the HKSAR or organisations in Hong Kong, 47 cases seeking information on the Mainland, 62 cases of miscellaneous enquiries or expression of views, and 81 cases of initial enquiries relating to request for assistance.
- Request for assistance : 64 cases relating to business and trade disputes, 50 cases of complaints relating to real property in the Mainland, 139 cases of complaints against administrative, law enforcement and judicial agencies in the Mainland, and 68 others cases.

The above cases were referred to authorities including the Hong Kong Hospital Authority, the National People's Congress, Overseas Chinese Affairs Office of the State Council, the Supreme People's Court, the Supreme People's Procuratorate, State Letters and Complaints Bureau, Ministry of Public Security, State Administration for Industry & Commerce, Ministry of Commerce, Ministry of Civil Affairs; and various provincial or local People's Courts, People's Procuratorates, Letters and Complaints Offices*, Public Security Bureau, Letters and Complaints Office* of the Public Security Departments, National Resources and Housing Management Bureau*, Fire Services Bureau*, Investment Promotion Bureau, Notary Public Office, and the Department of Foreign Trade and Economic Cooperation, etc. Since in many cases there were repeated referrals

on the request of the enquirers and involved different departments, and in view of the considerable number of cases involved, we are not able to provide a breakdown on the number of cases by the departments to which these cases were referred.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

* Names in unofficial translation.

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO006

Head : 35 Government Secretariat: Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

0729

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

Regarding Matters Requiring Special Attention in the coming year, the Beijing Office will keep concerned parties up-dated of the preparatory work of the 2008 Olympic Game and the Expo 2010 Shanghai China, in particular the related business opportunities. Will the Government inform this Council of:

- (a) the specific plans;
- (b) the details of the expenditure and a breakdown thereof; and
- (c) the expected economic benefits to Hong Kong brought about by these two large-scale projects?

Asked by : Hon. IP Kwok-him

Reply :

- (a) The Business and Services Promotion Unit (BSPU) of the HKSAR Government is responsible for coordinating Hong Kong's efforts in exploring business opportunities associated with the Olympic Games. The main role of the Beijing Office is to maintain close contact with the Beijing Organising Committee for the Games of the XXIX Olympiad (BOCOG), promote Hong Kong's advantages in various sectors, monitor closely the progress of the preparation work for the Games, and report the information to the BSPU and related HKSAR Government departments and organisations, so that the relevant sectors in Hong Kong will be kept informed for the situation and plan accordingly.

Having regard to the needs of HK business sector and the progress of work by the BOCOG, we have been assisting in relationship building between the HK business sector and the BOCOG. In the past two years, the Beijing Office arranged for several sectors (including the financial and legal sectors) to promote their services to the BOCOG. We also organised a visit to Qingdao, the co-organising city of the 2008 Olympic Games, for Hong Kong professionals to obtain information on business opportunities there and promote Hong Kong's advantages. Furthermore, we also assisted in arranging visits to Hong Kong by Beijing's relevant authorities to introduce the Olympics-related business opportunities.

In 2004, the Beijing Office will continue to keep in close contact with the BOCOG and report to the BSPU and other government departments on the preparatory work of the Games, in particular the progress of the tendering exercise for the works projects and marketing plans.

Regarding the Shanghai EXPO, BJO has been keeping a close watch on its development. With Shanghai succeeding in the bidding for 2010 EXPO, and the establishment of the Bureau of Shanghai World EXPO Coordination at the end of last year, the preparation process of the 2010 EXPO formally commenced. BJO is in touch with the Bureau of Shanghai World EXPO Coordination with a view to understanding the latest development of the preparation process as well as any business opportunities. We will also explore how the HK business sector could contribute to the preparation process. BJO will keep HKSARG and related organizations informed of progress.

(b) The above task is an integral part of the Beijing Office's ongoing work under Programme (1). It is therefore difficult for us to separately itemise expenditure under Programme (1) for this task.

(c) Both Beijing Olympics and Shanghai EXPO are world-class international events. In the course of their planning and preparation work, huge inputs in terms of capital, human resources, and technical support are necessary for the construction of facilities, market promotion, as well as the internal operations of the organizer and related organizations. The strengths of HK in areas such as finance and banking, infrastructure construction, and professional services can

provide support and assistance to the preparation of the Beijing Olympics and Shanghai EXPO. For HK, these events represent business opportunities. The successful bidding of the relevant work and services contracts by the HK business sector will obviously result in a considerable amount of financial benefits for HK. More importantly, involvement of HK business sector in the events can further promote the status of HK, and our working connection with business counterparts in the Mainland and international circles. All of these are intangible assets which would enhance even greater development for HK in the future.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO007

Question Serial No.

0730

Head : 35 Government Secretariat: Beijing Office

Subhead (No. & title) : 000 Operational expenses

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

As regards further promotional activities in selected provinces, autonomous regions and municipalities, could the Administration inform this Council:

- (a) of the specific provinces, autonomous regions and municipalities selected for the coming year;
- (b) of the factors underlying the selection;
- (c) of the arrangements for and the contents of the promotional activities, and whether there will be any specific theme;
- (d) of the means to assess the effectiveness of the promotional activities;
- (e) of the detailed breakdown of expenditure for the promotional activities; and
- (f) whether there is any plan to assess the effectiveness of the promotional activities held in the various provinces, autonomous regions and municipalities in the past years? If yes, what are the findings? If no, why?

Asked by : Hon. IP Kwok-him

Reply :

(a) and (b): When selecting locations for promotional activities, we would give full consideration to the potential for developing mutual business opportunities, the interests of various sectors in Hong Kong and cooperation of the governments of both sides. We have decided to hold a large scale promotional event in Chongqing from the end of May to early June with CEPA as the main theme. We are also considering the focus of our promotional activities for the second half of this year. We are consulting relevant departments in Hong Kong and planning to get in touch with local governments concerned. We shall make an announcement once we come to a decision.

(c) CEPA is the main theme of our promotional activities this year. We will also publicize the implementation of "One Country, Two Systems" in Hong Kong, promote the advantages of Hong Kong, strengthen our hub functions and facilitate Hong Kong businessmen to explore new markets. In general, a Hong Kong promotion campaign will include an exhibition, various seminars focusing on finance, tourism, service industry, industry and trade, etc., visits and exchanges, and establishing contacts with the local government and business counterparts. Detailed arrangements of individual activities are

decided after discussion with the local government and relevant departments of the HKSARG as well as the business sectors of Hong Kong.

(d) The criteria that we use to assess the effectiveness of an activity include the number, level and representativeness of the attendees, the feedback of participants, media reports, promotional impact in the relevant region, and whether our business and professional sectors would be prepared to take part in similar activities again.

(e) The expenditure for publicity is estimated to be \$4.3 million, of which \$3 million will be spent on general publicity (e.g. exhibitions) and \$1.3 million on trade promotion activities (e.g. seminars, study tours, business banquets).

(f) After each promotional event, the Beijing Office, together with the participating departments and organisations in Hong Kong, would review the outcome and evaluate the effectiveness of the activity. Past experience shows that on average the exhibition would attract about 50 000 to 60 000 visitors, while over 1 000 officials, representatives of enterprises and professionals have participated directly in various business activities and exchanges in each place. All the promotions have received good coverage from the provincial, local and Hong Kong media and in particular promoted immense interest in the places where the promotion were held. Both local and Hong Kong participants were generally of the view that such activities would enhance mutual understanding of the two places and help establish contacts, and were conducive to future economic co-operation. We understand that some enterprises and professionals in Hong Kong have followed up directly with the local business sectors afterwards to discuss co-operation projects.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO008

Question Serial No.

0731

Head : 35 Government Secretariat : Beijing Office

Subhead (No. & title) :

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

With regard to the implementation of the project to acquire permanent accommodation for the Office, could the Government inform this Council of :

- (a) the latest progress of the project;
- (b) the specific schedules for the project; and
- (c) a detailed breakdown of the estimated expenditure for the project?

Asked by : Hon. IP Kwok-him

Reply :

- (a) Upon Finance Committee's approval for the Beijing Office to acquire a suitable site for construction of office premises thereon, we have identified a piece of suitable land, and completed site clearance and tendering procedures for the construction works. It is anticipated that the construction contract will be signed in March 2004.
- (b) As stipulated in the tender document, the contractor should complete the works in 260 days.
- (c) We will spend within the project estimate as approved by the Finance Committee with estimated breakdown as follows –

	(\$'000)
Land acquisition	34,206
Construction works, internal fitting-out and related costs	36,937
Taxes, fees and charges payable to Beijing Municipal Government	6,770
Professional services and legal fees	2,225
Contingency	7,162
Total	<u>87,300</u>

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Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO009

Question Serial No.

0755

Head : 35 Government Secretariat: Beijing Office

Subhead (No. & title) : 000 Operational expenses

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

The Beijing Office will further its promotional activities in selected provinces, autonomous regions and municipalities. Please inform this Committee of the regions, programmes of activities and expenditures involved.

Asked by : Hon. TIEN Pei-chun, James

Reply :

When selecting locations for promotional activities, we would give full consideration to the potential for developing mutual business opportunities, the interests of various sectors in Hong Kong and cooperation of the governments of both sides. We have decided to hold a large scale promotional event in Chongqing from the end of May to early June with CEPA as the main theme. We are also considering the focus of our promotional activities for the second half of this year. We are consulting relevant departments in Hong Kong and planning to get in touch with local governments concerned. We shall make an announcement once we come to a decision.

(b) CEPA is the main theme of our promotional activities this year. We will also publicize the implementation of "One Country, Two Systems" in Hong Kong, promote the advantages of Hong Kong, strengthen our hub functions and facilitate Hong Kong businessmen to explore new markets. In general, a Hong Kong promotion campaign will include an exhibition, various seminars focusing on finance, tourism, service industry, industry and trade, etc., visits and exchanges, and establishing contacts with the local government and business counterparts. Detailed arrangements of individual activities are decided after discussion with the local government and relevant departments of the HKSARG as well as the business sectors of Hong Kong.

(c) The expenditure for publicity is estimated to be \$4.3 million, of which \$3 million will be spent on general publicity (e.g. exhibitions) and \$1.3 million on trade promotion activities (e.g. seminars, study tours, business banquets).

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Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO010

Head : 35 Government Secretariat : Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

0980

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

It is stated that mainly due to a need to pay one-off allowances for staff on transfer and disturbance allowance to officers posted to and from the Beijing Office, the expenditure for the Beijing Office for 2004-05 is \$1.5 million higher than the revised expenditure for 2003-04. Is the granting of such provision due to transfer of staff required every year? If not, why is it so this year? If yes, what are the reasons for the increase in provision for allowances in 2004-05? Besides, what criteria does the Administration adopt in granting these allowances, irrespective of whether such provision is granted every year? Also, are such allowances covered by the Civil Service Bureau's review on civil service pay and allowances?

Asked by : Hon. HUI Cheung-ching

Reply :

Seven officers of the Beijing Office will have their duty tours expiring in 2004-05. Current Government arrangements are that allowances are payable to officers upon posting outside Hong Kong and on return to Hong Kong on completion of posting. These allowances include mainly subsistence allowance of up to 28 nights before taking up rented accommodation on commencement of posting and subsistence allowance of up to three nights before returning to Hong Kong at the end of posting. In addition, disturbance allowance is payable to cover incidental expenses officers may incur arising from posting outside Hong Kong and changes in living environment. Whether such allowances are required to be paid in a particular financial year would depend on the actual cases of officers being posted to or out of the Beijing Office.

The review being conducted by the Civil Service Bureau on Civil Service pay and allowances includes the aforesaid allowances.

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Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

Examination of Estimates of Expenditure 2004-05
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

BJO011

Question Serial No.

1009

Head : 35 Government Secretariat: Beijing Office

Subhead (No. & title) : 000 Operational expenses

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

Regarding the 321 requests for assistance handled in 2003, with 64 involving business and trade disputes, 50 involving complaints relating to real property in the Mainland, 139 involving complaints against administrative, law enforcement and judicial agencies in the Mainland and 68 under the category of others, please provide the expenditures involved in handling each category of requests in 2003, the proportion of those successfully resolved against the total number of requests, the primary reasons for failure to resolve the requests, the nature of the 68 requests under the category of others, as well as the trade distribution among the 64 requests involving business and trade disputes. Are there any requests pending? If yes, what are the numbers and reasons?

Asked by : Hon. LEUNG LAU Yau-fun, Sophie

Reply :

The handling of requests for assistance is part of the work of two officers in the Beijing Office, one from the Administrative Officer Grade and the other from the Trade Officer Grade. It is difficult to exactly quantify the expenditure involved.

2. Based on the principle of "One Country, Two Systems", we could not intervene in the work of government bodies in the Mainland. In handling a request for assistance, we first verify the identity of the person seeking assistance, understand his/ her request, and then refer the request to relevant departments or Letters and Complaints Units in the Mainland. Since the nature of individual cases is different and it is hard to define whether a case has been successfully resolved, we do not have statistics in this regard.

3. The issues involved in the 68 cases under the "others" category are of a wide variety. For example: there were cases casting doubt on the standards for setting fees by hospitals, cases seeking our assistance in obtaining an exchange of commodities after purchase, cases seeking financial help due to economic hardship, cases seeking our assistance in providing legal aid, and cases seeking to sell real property through us, etc.

4. The 64 trade and business disputes mainly involved contracts, execution of the decisions of judicial agencies, etc. We do not have statistics on the breakdown of these disputes by trade.

5. In various ways, we have already processed all requests for assistance received in 2003. Of these 29 cases are being reviewed pending referral to the relevant departments in Hong Kong/ the Mainland.

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004

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CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION

Reply Serial No.

BJO012

Head : 35 Government Secretariat : Beijing Office

Question Serial No.

Subhead (No. & title) : 000 Operational expenses

1604

Programme : (1) Liaison

Controlling Officer : Director, Beijing Office

Director of Bureau : Secretary for Constitutional Affairs

Question :

Regarding the operational expenses of Head 35 Beijing Office, the estimated expenditure on hire of services and professional fees for 2004-05 is \$2.2m, representing a 30% increase over the revised estimate for 2003-04. Please provide a breakdown of the expenses.

Asked by : Hon. WU King-cheong, Henry

Reply :

In 2004-05, the breakdown of the estimate for hire of services and professional fees is as follows—

	(\$'000)
(a) Salary for local staff	1,501
(b) Salary Increment	102
(c) Social security payments and engagement of local agencies providing personnel management services for local staff	198
(d) Engagement of two additional local staff following the reduction of civil service permanent posts under the localization plan	354
(e) Contingency	54
Total	2,209

Signature Signed on Chinese Version

Name in block letters BOWEN LEUNG

Post Title Director, Beijing Office

Date 24.3.2004