

**Supplementary Information on the
Monitoring Mechanism for Government Subvention to
National Sports Associations**

The Leisure and Cultural Services Department (LCSD) presented an information paper CB(2)2492/05-06(02) to the Legislative Council Panel on Home Affairs at its special meeting on 3 July 2006 and explained in detail the monitoring mechanism for government subvention to National Sports Associations (NSAs). Upon request by the Panel, LCSD also compiled and provided statistics on NSA key office-bearers for the Panel's reference in October 2006. The ensuing paragraphs further explain the enhanced monitoring mechanism and selection of athletes.

Enhanced Monitoring Mechanism

2. LCSD works with the Independent Commission Against Corruption (ICAC) to ensure proper monitoring of NSAs' use of public funds. In 2006, we issued to NSAs an updated sample Code of Conduct (Code), and a sample of procurement guidelines (Guidelines) provided by the ICAC. The updated sample Code included concrete examples of conflicts of interest whilst the Guidelines set out detailed quotation and tendering procedures and the approval mechanisms. Taking reference from the samples, NSAs have revised their Codes and drawn up Guidelines for compliance by their staff. In addition, the revised Code was applicable to office-bearers as well as staff of NSAs.

3. With a view to improving the monitoring of NSAs' compliance with the Code and Guidelines, LCSD has revised the Subvention Agreement entered between the Department and NSAs with effect from 2008-09. The revised Subvention Agreement requires NSAs to provide the Government with the declarations of interests made by their office-bearers and staff, and the official records of management decisions for examination of compliance with the Code and Guidelines. The agreement further requires NSAs to inform the Government of any amendments to their Code and Guidelines, and requires the auditors of NSAs to include in their annual audit reports an opinion as to NSAs' compliance with the Subvention Agreement, their Code and Guidelines.

4. The first round of quality assurance inspections conducted by LCSD on all subvented NSAs under the three-year monitoring cycle

will be completed in 2009. We will record any shortcomings identified during the inspection and organise a workshop with ICAC and audit professionals to advise NSAs on areas for improvement. We will also remind NSAs of the need to be aware of possible conflicts of interest and to observe proper procurement practices so as to conduct business in a transparent manner.

Selection of Athletes

5. The selection of Hong Kong athletes to compete in international sporting events is the prerogative of the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC), which is the National Olympic Committee (NOC) of Hong Kong, and the respective NSAs which are the national federations of individual sports in Hong Kong. According to the Olympic Charter, NOCs are responsible for deciding upon the entry of athletes proposed by their respective national federations to the Olympic Games and the regional, continental or world multi-sports competitions under the patronage of the International Olympic Committee. Selection shall be based not only on the performance of an athlete but also on his or her ability to serve as an example to the sporting youth of his or her country. The NOCs must ensure that the entries proposed by the national federations comply in all aspects with the provisions of the Olympic Charter. The NOCs must also resist all pressures of any kind, including but not limited to political, legal, religious or economic pressures which may prevent them from complying with the Olympic Charter.

6. The Government respects the Olympic Charter and accordingly does not interfere with the selection process.

Leisure and Cultural Services Department

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