

**For discussion on  
24 June 2019**

**Legislative Council Panel on Home Affairs**

**Proposed Injection into the Hong Kong Athletes Fund**

**Purpose**

The Government proposes to inject \$250 million into the Hong Kong Athletes Fund (HKAF) and enhance the dual career support to athletes under the HKAF. This paper seeks Members' views on the abovementioned proposal.

**Background**

2. The Government established the HKAF<sup>1</sup> in 1996 to provide grants to support the dual career development of athletes, so as to encourage them to pursue sports excellence and education at the same time and lay a good foundation for building a career after retirement from sports. The scope of the HKAF was later extended to cover young and retired athletes. The HKAF currently provides three main areas of support, namely –

- (a) education grants for eligible athletes;
- (b) one-off cash grants at the time of retirement from sports training through the Elite Athletes Performance Recognition Scheme (EAPRS) for eligible retired athletes; and
- (c) cash incentives through the Youth Athletes Scholarship Awards (YASA) for junior athletes participating in major sports events, such as the Youth Olympic Games.

3. The number of grants and cash incentives provided under the HKAF in the past four years are tabulated as follows –

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<sup>1</sup> The HKAF is a sub-fund of the Sir David Trench Fund for Recreation established under the Sir David Trench Fund for Recreation Ordinance (Cap. 1128). The HKAF received the Government's allocation of \$8 million and public donation of \$5.171 million in 1996-97 as well as public donation of \$0.077 million in 1997-98. A capital maintenance requirement of \$13.248 million has been imposed since then.

Year	Education Grants		EAPRS		YASA	
	Number of recipients	Amount of grants (\$)	Number of recipients	Amount of grants (\$)	Number of recipients	Amount of grants (\$)
2015-16	21	2,937,080	7	2,167,200	-	-
2016-17	20	2,579,493	10	3,034,080	-	-
2017-18	14	1,884,200	3	991,200	13	87,000
2018-19	21	3,012,760	7	1,982,400	2	34,667
Total:	76	10,413,533	27	8,174,880	15	121,667

4. The eligibility requirements of the education grant and the EAPRS under the HKAF are based on the elite vote (EV) levels of athletes, which are determined by the highest level of sports achievement ever attained by the athlete concerned at senior events in accordance with the Elite Vote Support System at **Annex 1**.

5. In the 2019-20 Budget, the Government announced the injection of \$250 million into the HKAF to increase scholarship awards in support of the dual career development of athletes, and provide more cash incentives for full-time athletes when they retire from sports.

## **Considerations**

6. The Government attaches great importance to the all-round development of elite athletes and is committed to supporting their dual-career development in education and sports training. The Hong Kong Sports Institute (HKSI) has been implementing the Athletes Development Support Programmes with Government funding. With long-term and comprehensive support services, the overall performance of Hong Kong athletes has improved greatly in recent years. There have been remarkable achievements in various sports. The Hong Kong team won a record-breaking total of 46 medals (including eight gold, 18 silver and 20 bronze) in the 2018 Asian Games. Our athletes have attained top ten world rankings in badminton, cycling, table tennis, windsurfing, billiard sports, fencing, karatedo and squash. Our junior athletes also won medals at world championships in billiard sports, fencing and wushu.

7. The HKSI provides elite athletes with a range of education support, including education consultation, academic guidance, tutorial support and education grant. Since 2014, the HKSI has signed Memoranda of

Understanding (MOUs) with nine local universities<sup>2</sup> to provide flexible study arrangements (including extension of study periods) for full-time athletes studying in these universities. These MOUs also allow the HKSI to nominate full-time athletes for admission into programmes offered by these universities. Moreover, the HKSI has partnered with 27 local secondary schools to provide flexible secondary curriculum for student athletes. Four of these secondary schools offer integrated and flexible secondary school curriculum for full-time student athletes through the Partnership School Programme. As our athletes are given more education opportunities with the support of schools and tertiary education institutions, we propose to enhance the dual career support to athletes under the HKAF. Our proposal, as set out in the ensuing paragraphs, is endorsed by the Elite Sports Committee of the Sports Commission.

### *Education Grant*

8. Education is a crucial element in elite athletes' development. Higher education helps enhance athletes' sports performance and lay a more solid foundation for their career development upon retirement. Among our 107 medallists in the 2018 Asian Games, more than two-third of them have either attained or are pursuing a bachelor's degree. The HKAF currently provides education grant to each eligible senior athlete<sup>3</sup> of EV level 4 or above (whether training full time or part time) for one certificate, diploma or bachelor's degree programme.<sup>4</sup> The maximum education grant is \$42,100 per year for up to six years.<sup>5</sup> Eligible athletes who have retired for not more than two years could still apply for education grant.<sup>6</sup> Since 1997, the HKAF has provided educational grants to 224 athletes.

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<sup>2</sup> The nine local universities include The Education University of Hong Kong, The Chinese University of Hong Kong, Hong Kong Baptist University, The University of Hong Kong, The Hong Kong Polytechnic University, Lingnan University, City University of Hong Kong, The Hong Kong University of Science and Technology and The Hang Seng University of Hong Kong.

<sup>3</sup> Senior athlete is defined as athlete who has attained results in senior events.

<sup>4</sup> The programme needs to be offered by the following education institutions –  
(a) University Grants Committee (UGC)-funded tertiary education institutions;  
(b) post-secondary institutions;  
(c) Hong Kong Institute of Vocational Education;  
(d) continuing education departments of UGC-funded tertiary institutions; or  
(e) approved overseas colleges or universities (if no comparable courses are offered locally).

<sup>5</sup> If the study programme is a part-time programme, the six-year requirement is waived but the total amount of education grant is capped at the maximum amount of education grant an athlete may receive for a full-time study programme (i.e. \$252,600). If the study programme is a short-term programme of less than one year, the education grant is capped at \$10,000.

<sup>6</sup> A retired athlete may apply to the HKAF for subsistence allowance of \$40,000 per year while pursuing a long-term full-time study programme.

9. Upon review, we propose to enhance the education grant in the following areas –

(a) Eligibility of athletes

We propose to relax the eligibility threshold to apply for education grant from the current EV level 4 to EV level 3 so as to benefit more athletes and encourage young athletes to engage in full-time training. Based on the EV levels achieved by our athletes as at 31 March 2019, 312 of them are eligible to receive the education grant under the current arrangement. Upon relaxation of the threshold, the number of eligible athletes would be increased to 349, with 37 more young athletes expected to benefit from the proposed enhancement. The relevant figures are set out below –

EV level	Number of current HKSI senior athletes	Total number of eligible athletes	
		Current education grant	Enhanced education grant
6	69	312	349
5	147		
4	96		
3	37	(not eligible)	

(b) Qualifications of study programmes

Many of our top athletes have attained or are in the process of pursuing a bachelor's degree. To support athletes' continuous education, we propose that the education grant be expanded to cover all post-secondary study programmes including master's and doctor's degree programmes;

(c) Number of study programmes

Currently, each eligible athlete could only receive education grant for one study programme. Upon injection into the HKAF, there would be sufficient fund to provide education grant for an additional study programme. In view of the high correlation<sup>7</sup> between full-time training and medal chances at the international level, the HKSI has been actively encouraging our elite athletes to commit to full-time training. To dovetail with the HKSI's related strategy to encourage full-time training, we propose that the education grant for the second study programme should be limited to athletes with four or more

<sup>7</sup> For example, 80% of our 107 medallists in the 2018 Asian Games are full-time athletes.

years of full-time training. This will also help encourage athletes to pursue higher qualifications. Based on the EV levels achieved and the length of full-time training by our athletes as at 31 March 2019, around 150 athletes are expected to be eligible to apply for education grant for a second study programme; and

(d) Amount of grant

Having considered the tuition fees of various study programmes<sup>8</sup> in particular the higher fees of some master's degree programmes, we propose to raise the annual ceiling of the education grant per programme from \$42,100 to \$70,000 and the ceiling per programme would be increased from \$252,600 to \$300,000. The maximum length of grant per programme will remain at six years.

10. Upon the approval of the injection, as a transitional arrangement, we propose that from 2020-21 onwards, the enhanced education grant would be applicable to the remaining years of the study programmes of existing grant recipients. Athletes who have completed a study programme already may apply for the enhanced education grant for a second study programme if applicable. We estimate that 67 athletes currently receiving education grant would benefit from the transitional arrangement.

*New Sports Certificate Grant*

11. There are many short-term sports certificate programmes available in the market, covering a number of subjects such as coaching, sports science, sports medicine, sports nutrition, fitness instruction, sports event management and sports facility management. These courses would be beneficial to athletes for enhancing their sports performance and paving way for their “second careers”.

12. We propose to introduce a new sports certificate grant under the HKAF to support interested athletes in pursuing these sports-related certificates. We propose that the eligibility requirements be identical to that for the enhanced education grant as stated in paragraph 9(a) above (i.e. senior athletes of EV

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<sup>8</sup> Examples of annual tuition fees of study programmes –

- 2-year associate degree programme in recreation and leisure management offered by a continuing education department of a local UGC-funded university: \$59,400
- 4-year undergraduate programme in all UGC-funded universities: \$42,100
- 4-year undergraduate programme in a local private-funded university: \$50,100 (with Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong)
- 2-year part-time master's degree programme in sports and leisure management offered by a UGC-funded university: \$60,000
- 2-year part-time master's degree programme in translation offered by a UGC-funded university: \$70,000

level 3 or above). Each eligible current athlete or athlete who has retired for not more than two years may apply for the sports certificate grants for a maximum of two sports certificate programmes<sup>9</sup>. The maximum grant per programme is \$20,000.

13. Based on the EV levels achieved by our athletes as at 31 March 2019, it is estimated that 349 athletes will be eligible for the sports certificate grant.

#### *EAPRS*

14. In order to recognise the sporting achievements of athletes in major games and international events, we have been providing one-off cash grants through the EAPRS to eligible full-time athletes upon their retirement from sports training and competitions since 2015. The eligibility of the EAPRS is determined by EV levels and years of full-time training of athletes. The amount of cash grants to be released is based on the monthly elite training grant (ETG) received by Elite A+ athletes, which is \$33,040 (A+ ETG). So far, 27 retired athletes have benefited from the EAPRS.

15. We propose to increase the grant levels under the EAPRS to recognise the athletes' achievements and provide greater retirement support. To encourage athletes to strive for higher achievements, we propose that athletes of EV levels 5 or above should be given a more substantial increase in their grant levels, while athletes of EV level 4 should be given a more modest raise. Details of the proposal are tabulated as follows –

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<sup>9</sup> The programme needs to be offered by the following institutions –

- (a) UGC-funded tertiary education institutions;
- (b) post-secondary institutions;
- (c) Hong Kong Institute of Vocational Education;
- (d) continuing education departments of UGC-funded tertiary institutions;
- (e) Sports Federation and Olympic Committee of Hong Kong, China;
- (f) HKSI;
- (g) “national sports associations” under the Sports Subvention Scheme of the Leisure and Cultural Services Department; and
- (h) approved local or overseas sports-related organisations, colleges or universities.

<i>Current EAPRS</i>			
Number of years of full-time training	8-9 years	10-11 years	12 years or more
EV level 4	\$198,240 (6 months A+ ETG)	\$264,320 (8 months A+ ETG)	\$330,400 (10 months A+ ETG)
EV level 5 or above	\$264,320 (8 months A+ ETG)	\$330,400 (10 months A+ ETG)	\$396,480 (12 months A+ ETG)
<i>Enhanced EAPRS</i>			
Number of years of full-time training	8-9 years	10-11 years	12 years or more
EV level 4	\$198,240 (6 months A+ ETG)	\$297,360 (9 months A+ ETG)	\$396,480 (12 months A+ ETG)
EV level 5 or above	\$396,480 (12 months A+ ETG)	\$594,720 (18 months A+ ETG)	\$792,960 (24 months A+ ETG)

16. Based on the EV levels achieved and the length of full-time training by our athletes as at 31 March 2019, it is estimated that 51 athletes will be eligible for the enhanced EAPRS.

	Number of current HKSI senior athletes		
Number of years of full-time training	8-9 years	10-11 years	12 years or more
EV level 4	4	1	1
EV level 5 or above	15	14	16

## Operation of the HKAF

17. The Director of Accounting Services is the statutory trustee of the Sir David Trench Fund for Recreation (SDTFR)<sup>10</sup> and is responsible for managing the relevant investment and accounting work. As required by the Sir David Trench Fund for Recreation Ordinance, the Government set up the SDTFR Investment Advisory Committee to formulate investment strategies for the SDTFR and its sub-funds to advise on matters in relation to investment. The existing statutory framework will not be affected by the injection into the SDTFR or its sub-funds. The Elite Training and Athletes Affairs Committee (ETAAC) of the HKSI is responsible for giving advice and the disbursement of grants from the HKAF.

<sup>10</sup> The SDTFR is a statutory fund established under the Sir David Trench Fund for Recreation Ordinance for the purpose of providing facilities for recreational, sporting, cultural and social activities, and of supporting other measures that can help achieve this purposes. It is now held in trust by the Director of Accounting Services and administered by the Secretary for Home Affairs.

18. The HKAF has all along been adopting a prudent strategy to diversify its investment to strike a balance between investment returns and risks. As at March 2019, the HKAF had a balance of \$24.2 million. A summary of the income and expenditure of the HKAF in the past four years is as follows –

	2015-16	2016-17	2017-18	2018-19 (unaudited)
Income (\$M)	(0.81)	1.64	1.46	0.92
Expenditure (\$M)	3.82	4.55	2.78	3.92
Surplus / Deficit (\$M)	(4.63)	(2.91)	(1.32)	(3.00)

19. We estimate that around \$24.51 million is required per year to implement the enhanced dual career support to athletes under the HKAF. However, the amount required may be higher due to an increasing number of athletes at the HKSI and the improving overall performance of Hong Kong athletes. The projection of annual expenditure is as follows –

Item	Estimated annual expenditure
<b>Education Grant<sup>11</sup></b>	
• 180 athletes study undergraduate degree programmes per year	\$42,100 x 180 = \$7.58 million
• 70 athletes study associate degree programmes per year	\$70,000 x 70 = \$4.90 million
• 30 athletes study postgraduate degree programmes per year	\$70,000 x 30 = \$2.10 million
<b>Sports Certificate Grant<sup>12</sup></b>	
• 100 athletes study sports certificate courses per year	\$20,000 x 100 = \$2.00 million
<b>EAPRS<sup>13</sup></b>	
• 10 eligible athletes at time of retirement per year	\$792,960 x 10 = \$7.93 million
<b>Total:</b>	<b>\$24.51 million</b>

<sup>11</sup> More than two-third of our 107 medallists in the 2018 Asian Games have attained or are pursuing a bachelor's degree. We envisage that more athletes would pursue dual career development on sports and education with the enhanced education grant. We hence estimate that around 80% of the current 349 eligible athletes would apply for the enhanced education grant.

<sup>12</sup> As the sports certificate grant is a newly proposed, we estimate that around 100 athletes would apply for the sports certificate grant each year initially.

<sup>13</sup> The numbers of retired athletes who received the EAPRS in 2015-16, 2016-17, 2017-18 and 2018-19 were 7, 10, 3 and 7 respectively. We estimate that there would be 10 retiring athletes each year who would be eligible for the EAPRS.



*Dual Career Support to Retired Athletes by the Hong Kong Athletes Career and Education Programme*

20. With Government funding, the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC) has been supporting the dual career development of retired athletes through its Hong Kong Athletes Career and Education Programme (HKACEP) by providing education scholarship programmes as outlined at **Annex 2**. With funding allocation of \$9 million in 2017, the HKACEP currently maintains a balance of \$15.53 million. In the light of the enhancements to the dual career support to athletes under the HKAF, the SF&OC plans to review the HKACEP with a view to enhancing its dual career support programmes to retired athletes. As a result, the HKACEP may require more funding in the future. We propose that the HKAF could be used to meet the funding requirements of the HKACEP having regard to its balance in the future, so as to provide the HKACEP with the necessary resources for implementing its dual career support programmes to retired athletes over the longer run.

**Financial Implications**

21. We propose to inject \$250 million into the HKAF to increase scholarship awards in support of the dual career development of athletes, and provide more cash incentives for full-time athletes when they retire from sports. We will continue to monitor the funding requirements of the HKAF.

**Advice Sought**

22. Members are invited to comment on the above proposed injection.

**Home Affairs Bureau  
June 2019**

## Elite Vote Support System

Item	Weighting	Criteria	Rating					
1	1.5	International- level performance record in previous 2 years –  <b>Senior athletes</b>	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> International Invitation Tournament Regional Championships (e.g. Pacific Games, East Asian Championships) International Open Competitions	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Cup Series National Championships Asian Indoor and Martial Arts Games	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Championships National Games World University Games / Championships Asia Cup (Finals) World Cup Series	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Games World Cup (Finals)	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Olympic Games World Championships	<u>Medal (Minus-one Rule)</u> Olympic Games
			Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Inter-port / Inter-City Competition  [1]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> International Invitation Tournament Regional Championships (e.g. Pacific Games, East Asian Championships) International Open Competitions  [2]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Cup Series National Championships Asian Indoor and Martial Arts Games  [3]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Championships National Games World University Games / Championships Asia Cup (Finals) World Cup Series  [4]	<u>Medal (Minus-one Rule)</u> Asian Games  Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> World Cup (Finals)  [5]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> World Championships  [6]
2	1	International- level performance record in previous 2 years –  <b>Junior athletes</b>	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> International Youth Invitation Tournament Regional Youth Championships International Youth Open Tournament	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Youth Cup Series Asian Age Group Championships National Youth Championships	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Youth Championships National Youth Games Asia Youth Cup (Finals) World Youth Cup Series	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> World Youth Cup (Finals) Asian Youth Games	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> World Youth Championships Youth Olympic Games	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> World Youth Championships Youth Olympic Games
			Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Inter-port / Inter-City Youth Tournament  [1]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> International Youth Invitation Tournament Regional Youth Championships International Youth Open Tournament  [2]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Youth Cup Series Asian Age Group Championships National Youth Championships  [3]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Youth Championships National Youth Games Asia Youth Cup (Finals) World Youth Cup Series  [4]	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> World Youth Cup (Finals) Asian Youth Games  [5]	   [6]

## Elite Vote Support System for Disability Sports

Criteria	Rating					
International- level performance record in previous two years –	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> International Invitation Tournament International Open Competitions Regional Championships	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Cup Series National Championships Special Olympics	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Championships National Games Asian Cup (Finals) IPC World Cup Series Non-IPC World Cup (Finals) INAS Global Games	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Asian Para Games IPC World Cup (Finals) Non-IPC World Championships	4-8 (> 24 entries) or <u>Top 1/3 (≤ 24 entries)</u> Paralympic Games IPC World Championships	<u>Medal</u> <u>(Minus-one Rule)</u> Paralympic Games
	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Inter-port / Inter-City Competition	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> International Invitation Tournament International Open Competitions Regional Championships	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Cup Series National Championships Special Olympics	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Championships National Games Asian Cup (Finals) IPC World Cup Series Non-IPC World Cup (Finals) INAS Global Games	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> Asian Para Games IPC World Cup (Finals) Non-IPC World Championships	Medal (> 9 entries) or <u>Top 1/3 (≤ 9 entries)</u> IPC World Championships
	[1]	[2]	[3]	[4]	[5]	[6]

## Outline of the Education Scholarship Programmes of the Hong Kong Athletes Career and Support Programme

### Eligibility of the Education Scholarship Programmes

- Retiring or retired athletes up to six years after their retirement;
- Nominated by their respective “national sports associations”;
- Served as a member of the Hong Kong team and had at least four years of full-time training; and
- Represented Hong Kong in major events, including the Olympic Games and the Asian Games, and attained the required results (e.g. top eight position).

### Content of the Education Scholarship Programmes

	Programme	Maximum grant
1.	Scholarship Programme for Vocational Skills Training	Short-term programme: \$20,000 Long-term programme: \$120,000
2.	Scholarship Programme for Post-Secondary Education	Short-term programme: \$20,000 Long-term programme: \$120,000
3.	Language Enrichment Course	\$12,000
4.	Scholarship Programme for Undergraduate, Postgraduate and Master Course	Undergraduate programme: \$240,000 Postgraduate or master programme: \$150,000
5.	Academic Enhancement Scheme for Post-Secondary	\$24,000
6.	Academic Enhancement Scheme for Undergraduate	\$24,000