

LOAN FUND

LOAN FUND

Memorandum Note

On 1 April 1990, the Legislative Council established the Loan Fund by Resolution to assume the functions of the Development Loan Fund and the Student Loan Fund. The Development Loan Fund had been used to finance development schemes in Hong Kong through loans and advances. The Student Loan Fund had been used to finance loans to students at selected post-secondary institutions. The Resolution provides, *inter alia*, that—

- (a) the Fund be administered by the Financial Secretary who may delegate his power of administration to other public officers;
- (b) there be credited to the Fund—
 - (i) such appropriations from general revenue as may be approved by the Legislative Council for the purpose of the Fund;
 - (ii) all sums received by way of repayment of any loan or advance made from the Fund under sub-paragraph (c) below;
 - (iii) all sums received by way of interest or dividend on any loan or advance made from the Fund under sub-paragraph (c) below and any sum invested under sub-paragraph (e) below;
 - (iv) all sums received from the sale or other disposal of all or part of any investment made under sub-paragraph (e) below; and
 - (v) all such other sums as may be received for the purpose of the Fund;
- (c) the Financial Secretary may expend moneys from the Fund for the purpose of—
 - (i) meeting the liabilities assumed under the terms and conditions already approved as at 31 March 1990 by the Finance Committee; and
 - (ii) granting loans and advances to such persons as may be approved by the Finance Committee, in accordance with such terms and conditions as may be specified by the Finance Committee;
- (d) the Director of Accounting Services shall, under the authority of a funds warrant issued by the Financial Secretary, pay from the Fund such sums as may be required to meet expenditure from the Fund;
- (e) the Financial Secretary may, in his discretion, authorise the investment of moneys forming the unexpended balance held in the Fund at any time in interest-bearing securities in such manner as he may determine; and
- (f) the Financial Secretary may from time to time transfer from the Fund to the general revenue any balance held in the Fund which is not in his opinion reasonably required for the purpose of the Fund.

2 The revised loan payments for 2019–20 are estimated at \$2,651,203,000. The loan payments for 2020–21 are estimated at \$2,880,326,000.

3 The revised loan repayments and other receipts for 2019–20 are estimated at \$3,365,990,000. This includes the estimated transfer of \$1 billion from the general revenue. The loan repayments and other receipts for 2020–21 are estimated at \$2,490,775,000.

4 The following notes supplement the estimates of payments and receipts in respect of the approved projects.

Head 251—Housing

Hong Kong Housing Society

5 From January 1982 to November 1986, the Finance Committee approved two interest-free loans totalling \$140,800,000 to the Housing Society for the development of two rural public housing projects. The loans are repayable over 40 years by equal monthly instalments. The estimated repayments in both 2019–20 and 2020–21 are \$3,520,000.

6 On 21 February 1997, the Finance Committee approved a commitment of \$1,380 million to provide the Housing Society with interest-free funding to make loans under the extended Sandwich Class Housing Loan Scheme (SCHLS) whereby low interest loans were granted to eligible applicants to assist them in buying their own homes. The Housing Society had drawn the full amount by 31 March 1998.

7 On 9 January 1998, the Finance Committee approved a commitment of \$18 billion to provide the Housing Society with interest-free funding to make loans under the Home Starter Loan Scheme (HSLs) whereby low-interest loans were granted to eligible home buyers to purchase their own homes. Applications for the HSLs were closed on 31 March 2002 and the Housing Society had drawn \$14,953 million by that date.

8 On 2 December 2003, the Government signed an agreement with the Hong Kong Mortgage Corporation Limited (HKMCL) for the sale of loans under the SCHLS and HSLs which are secured by second legal charges. As a result of the sale, the loan repayments received by the Housing Society less any reasonable expenses necessarily incurred in implementing the loan schemes are remitted to the HKMCL. The loan repayments received by the Housing Society from the unsold loans less any reasonable expenses continue to be remitted to the Government. The estimated remittances to the Government under the HSLs in 2019–20 is \$2,254,000.

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Housing assistance for civil servants

9 On 11 February 1981, the Finance Committee approved a commitment of \$400 million to provide downpayment loans and housing loans under the civil service housing benefits schemes. From December 1985 to January 1989, the commitment was increased several times to \$2,137 million to cover additional requirements. On 13 July 1990, 9 June 1995 and 7 May 1999, the Finance Committee approved increases in the commitment by \$4,553 million, \$2,123 million and \$1,625 million respectively to \$10,438 million for servicing loans under the Home Purchase Scheme, the Home Financing Scheme and the Housing Loan Scheme. All the above loans are repayable with interest.

10 On 30 May 2003, the Government signed an agreement with the HKMCL for the sale of outstanding loans under various housing loan schemes for civil servants. After the sale, the loan repayments received were remitted to the HKMCL. The loan repayment from the unsold loans and new loans granted after the sale were received by the Government. The Government ceased to sell new loans to the HKMCL from 2019–20 onwards.

11 The estimated total loan payments and repayments in 2019–20 are \$572,100,000 and \$32,800,000 respectively. The estimated total loan payments and repayments for 2020–21 are \$691,700,000 and \$100,400,000 respectively.

Head 252—Loans to Schools/Teachers

Loans to non-profit-making international schools

12 On 17 January 1997, the Finance Committee approved a commitment of \$66,591,000 to provide an interest-free loan to the Canadian International School to meet part of the construction cost of a new school building at Nam Long Shan Road, Hong Kong. On 20 June 1997, the Finance Committee approved a commitment of \$44,800,000 to provide an interest-free loan to the Hong Kong Japanese School Limited to meet the capital cost of a new school building in Tai Po Kau, N.T. On 26 November 1999, the Finance Committee approved a commitment of \$77 million to provide an interest-free loan to the Australian International School Foundation Limited to meet part of the construction cost of a new school building at Kowloon Tong, Kowloon. The loans for the Canadian International School, the Hong Kong Japanese School Limited and the Australian International School Foundation Limited were fully repaid on 1 February 2010, 1 June 2009 and 24 September 2012 respectively. On 27 April 2012, the Finance Committee approved a commitment of \$203,830,000 to provide an interest-free loan to the Kellett School Association Limited to meet part of the construction cost of its new school premises in Kowloon Bay, Kowloon. The loan was drawn down in December 2013. On 25 May 2012, the Finance Committee approved a commitment of \$157,720,000 to provide an interest-free loan to the Hong Kong Academy Educational Foundation Limited to meet part of the construction cost of its new school premises in Sai Kung, N.T. The loan was drawn down in September 2013. On 8 June 2012, the Finance Committee approved a commitment of \$272,740,000 to provide an interest-free loan to the Harrow International School (Hong Kong) Limited to meet part of the construction cost of its new school premises in So Kwun Wat, Tuen Mun, N.T. The loan was drawn down in December 2013. The total approved commitment is therefore increased by \$634,290,000 to \$822,681,000. All the loans have been fully drawn and are repayable over a period of ten years with the first instalment due one year after the loans are drawn. The estimated repayments in both 2019–20 and 2020–21 are \$63,429,000.

Start-up loan for post-secondary education providers

13 On 6 July 2001, the Finance Committee approved a commitment of \$5 billion to provide post-secondary education providers with interest-free loans to meet their start-up expenses for launching accredited post-secondary education programmes. The loans are repayable in ten equal annual instalments starting one year after the date of the final drawdown. On 23 May 2008, the Finance Committee approved modification of the scheme with effect from the 2008/09 academic year by expanding the scope of the scheme to offer loans to course providers of full-time locally-accredited self-financing post-secondary programmes for enhancing teaching and other ancillary facilities. In addition, existing borrowing institutions with medium-term loan approved before 23 May 2008 may apply for an extension of the loan repayment period from no more than ten years to no more than 20 years if they have proven financial difficulties, but subject to the payment of interest at the “no-gain-no-loss” rate after the interest-free period in the first ten years. On 5 February 2010, the Finance Committee approved an increase in the commitment by \$2 billion; and to extend the loan repayment period from no more than ten years to no more than 20 years for institutions borrowing loans after May 2008 for constructing new college premises, subject to proven financial difficulties, payment of first five repayment instalments and interest at the “no-gain-no-loss” rate after the interest-free period in the first ten years. On 11 May 2012, the Finance Committee approved an increase of \$2 billion in the commitment and an extension of the ambit of the scheme to support the development of student hostels for the self-financing tertiary education sector. The estimated repayments in 2019–20 is \$411,561,000. The estimated payments and repayments in 2020–21 are \$14,400,000 and \$417,869,000 respectively.

Head 254—Loans to Students

Means-tested loan for tertiary students pursuing publicly-funded programmes

14 The Tertiary Student Finance Scheme—Publicly-funded Programmes (TSFS) is a means-tested scheme which provides financial assistance to eligible full-time students of publicly-funded institutions (i.e. University Grants Committee (UGC)-funded institutions; the Hong Kong Institute of Vocational Education, Hong Kong Design Institute, Chinese Culinary Institute, International Culinary Institute and Maritime Services Training Institute of the Vocational Training Council; the Hong Kong Academy for Performing Arts; and the Dental Technology Course of the Prince Philip Dental Hospital).

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15 Financial assistance is provided to students in need in the form of grants and/or loans. The loan element is intended to help towards students' living expenses. The maximum loan for each student has been increased from \$50,020 in the 2018/19 academic year to \$51,470 in the 2019/20 academic year to reflect general price increases. The loans are interest-free during the study period and repayable upon graduation or termination of studies. Interest is accrued upon commencement of repayment. With the approval of the Finance Committee, the interest rate of the loans has been reduced from 2.5% to 1% per annum with effect from 1 July 2012 and the standard repayment period has been extended from five years to 15 years.

Means-tested loan for post-secondary students

16 The Financial Assistance Scheme for Post-secondary Students (FASP) is a means-tested scheme which provides financial assistance to eligible full-time students aged 30 or below pursuing locally-accredited, self-financing post-secondary education programmes which lead to a qualification at sub-degree (i.e. associate degree and/or higher diploma) or degree level. Financial assistance was provided in the form of grant or loan from the 2001/02 to 2005/06 academic years. With effect from the 2006/07 academic year, FASP loan for tuition fees has been replaced by FASP grant covering both tuition fees and academic expenses.

17 Starting from the 2008/09 academic year, means-tested loans at the same level as those under the TSFS are introduced to cover the students' living expenses based on the same terms and conditions as those under the TSFS. The maximum amount of living expenses loan is at the same level as that under the TSFS (i.e. \$51,470 per student per annum in the 2019/20 academic year).

18 The loans are interest-free during the study period and repayable upon graduation or termination of studies. Interest is accrued upon commencement of repayment. With the approval of the Finance Committee, the interest rate of the loans has been reduced from 2.5% to 1% per annum with effect from 1 July 2012 and the standard repayment period has been extended from five years to 15 years.

Non-means-tested loan scheme

19 The Non-means-tested Loan Scheme was introduced in 1998 to complement the TSFS and to ensure that no qualified students are denied access to tertiary education because of a lack of means. It has been expanded and now comprises the Non-means-tested Loan Scheme for Full-time Tertiary Students (NLSFT) and the Extended Non-means-tested Loan Scheme (ENLS). The NLSFT provides loans for tuition fees to eligible full-time students of publicly-funded institutions. The ENLS provides loans for tuition fees to persons pursuing specific post-secondary and continuing and professional education courses provided in Hong Kong.

20 The Non-means-tested Loan Scheme for Post-secondary Students (NLSPS) was introduced in the 2001/02 academic year to complement the FASP to provide loans to eligible full-time students aged 25 or below pursuing locally-accredited self-financing post-secondary education programmes which lead to a qualification at or above the levels of associate degree, higher diploma and/or professional diploma. With effect from the 2008/09 academic year, the NLSPS is extended to cover sub-degree graduates studying full-time locally-accredited self-financing degree or top-up degree programmes. From the 2012/13 academic year, the age limit of the NLSPS has been removed.

21 Eligible students who do not wish or fail to go through the means test under the TSFS/FASP may apply for loans under the NLSFT/NLSPS up to the maximum amount of their tuition fees payable. Students who receive financial assistance under the TSFS may apply for loans under the NLSFT up to the difference between the maximum financial assistance under the TSFS and the amount of financial assistance they may receive under the TSFS, subject to the loan maximum (equivalent to the tuition fee payable) not being exceeded. Students who receive financial assistance under the FASP may apply for loans under the NLSPS up to the difference between their tuition fee payable plus the maximum levels of academic expenses and basic living expenses under the FASP and the financial assistance they may receive under the FASP, subject to the loan maximum (equivalent to the tuition fee payable) not being exceeded. Other eligible students may apply for loan under the ENLS up to the maximum amount of their tuition fee payable. With effect from the 2012/13 academic year, a combined life-time loan limit of \$300,000 has been imposed under the NLSFT and NLSPS and another life-time loan limit of \$300,000 has been imposed under the ENLS. The life-time loan limits will be price-adjusted annually in accordance with the Composite Consumer Price Index. The limits for the 2019/20 academic year are \$372,700.

22 The NLSFT, NLSPS and ENLS operate on a full-cost recovery basis. Interest, charged once the loan is drawn down, is payable on the outstanding balance of the loan at the "no-gain-no-loss" rate, plus a risk-adjusted-factor which seeks to cover the Government's risk in disbursing unsecured loans. With the approval of the Finance Committee, the risk-adjusted-factor has been reduced from 1.5% to zero from 1 July 2012 and the standard repayment period has been extended from ten to 15 years. The risk-adjusted-factor is currently under review. An administrative fee is chargeable for each application and annually thereafter until the loan is fully repaid. The loan and the interest accrued are repayable upon graduation or termination of studies or lapse of six years from the first disbursement of the loan (applicable to the ENLS and NLSPS only), whichever is the earliest.

Students of approved post-secondary colleges

23 The Student Finance Assistance Scheme, which provided loans to eligible students of the Hong Kong Shue Yan University registered in the 2000/01 academic year or before, has been phased out since the 2005/06 academic year.

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24 As at 31 March 2019, the amount of outstanding loans under the schemes mentioned in paragraphs 14 to 23 above was \$13,698,510,000. The estimated loan payments and repayments in 2019–20 are \$1,919,533,000 and \$1,309,443,000 respectively. The estimated loan payments and repayments in 2020–21 are \$2,034,036,000 and \$1,291,173,000 respectively.

Head 255—Interest-free loans to employees injured at work and dependants of employees who died as a result of work-related accidents

Loans to employees injured at work and dependants of deceased employees

25 On 2 July 1993, the Finance Committee approved a revolving fund with a commitment of \$10 million to provide temporary relief in the form of interest-free loans of up to \$15,000 each to employees injured at work and to dependants of employees who died as a result of work-related accidents. The loans are normally repayable in four equal quarterly repayments after the relevant employees' compensation claims have been settled. The estimated payments and repayments in 2019–20 are \$45,000 and \$56,000 respectively. The estimated payments and repayments in 2020–21 are \$45,000 and \$22,000 respectively.

Head 262—Primary Products

Fisheries loans

26 The Fisheries Development Loan Fund (FDLF) is a revolving fund established in January 1960 with a commitment of \$2 million from the Development Loan Fund to provide loans at an interest rate of 6% per annum to promote fishing in middle and distant waters. The approved commitment for this fund was increased to \$5 million in December 1961, \$7 million in October 1984, \$100 million in November 1997, \$290 million in June 2006 and \$1,100 million in February 2015. On 27 April 2012, the Government revised the terms and conditions of the FDLF to provide (a) one-off loans to owners of trawlers and fish collectors affected by the trawl ban, if the application is submitted on or before 31 December 2015, for upgrading their vessels to operate outside Hong Kong waters or switching to more sustainable fisheries operations and other fisheries-related operations, or for carrying out projects that will reduce fuel consumption or carbon footprint of their operations without increasing fishing effort; (b) loans to capture fishermen and owners of fish collectors for switching to more sustainable fisheries operations and other fisheries-related operations, and for carrying out projects that will reduce fuel consumption or carbon footprint of their operations without increasing fishing effort; and (c) loans to fish farmers to help them develop aquaculture or improve their aquaculture businesses leading to more environmentally friendly operations or an improvement of the quality and food safety standards of the aquaculture products. Interest for loans to owners of trawlers and fish collectors, whether affected by the trawl ban or not, is compounded on a monthly basis at 1% and 2.5% per annum respectively, and for loans to aquaculture operators is compounded on a monthly basis at the “no-gain-no-loss” rate. Loans are repayable by instalments according to a quarterly repayment pledge. The estimated loan payments and repayments in 2019–20 are \$69,475,000 and \$37,279,000 respectively. The estimated loan payments and repayments in 2020–21 are \$40,095,000 and \$55,970,000 respectively.

Fish Marketing Organization Loan Fund-fishing moratorium loan scheme

27 On 16 June 2006, the Finance Committee approved a commitment of \$60 million to the Fish Marketing Organization Loan Fund to provide loans on a revolving basis at the “no-gain-no-loss” interest rate to the Fish Marketing Organization which then provides loans to fishermen affected by the annual fishing moratorium in the South China Sea. The loans are for the fishermen to maintain and repair their fishing vessels for resumption of fishing operation after the moratorium. The estimated payments and repayments in 2019–20 are \$60 million and \$64,108,000 respectively. The estimated payments and repayments in 2020–21 are both \$60 million.

Head 269—Building Safety

Comprehensive Building Safety Improvement Loan Scheme

28 On 27 April 2001, the Finance Committee approved the merger of the Fire Safety Improvement Loan Scheme under Head 268 and the Building Safety Improvement Loan Scheme under Head 269 into a new Comprehensive Building Safety Improvement Loan Scheme (CBSILS) under Head 269 with a commitment of \$700 million to provide loans to building owners who need financial assistance to improve the safety of their premises. The CBSILS is a revolving loan facility. In general, interest is payable on the outstanding balance of the loans at the “no-gain-no-loss” rate. However, the Director of Buildings may, on the advice of an advisory committee, grant loans on an interest-free basis to needy applicants subject to assessment on income and assets. The estimated payments and repayments in 2019–20 are \$30 million and \$42,723,000 respectively. The estimated payments and repayments in 2020–21 are \$40 million and \$44,549,000 respectively.

Head 274—Tourism

Loan for the Ocean Park Redevelopment Plans

29 On 16 December 2005, the Finance Committee approved a commitment of \$1,387,500,000 to provide a subordinated loan to the Ocean Park Corporation for a period of 25 years at a fixed interest rate of 5% per annum, and a guarantee for a \$1,387,500,000 commercial loan and interest arising therefrom for the Corporation to proceed with the Redevelopment Plans of the Ocean Park. The loan was fully drawn by 2007–08 but no repayment is expected in 2019–20 and 2020–21. The Corporation obtained a commercial loan to refinance all its outstanding commercial loans for the

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Redevelopment Plans on 31 March 2016 and relieved Government's obligations as the guarantor for the Corporation's commercial loan on the same day.

Loan for the Ocean Park's Tai Shue Wan Development Project

30 On 24 May 2013, the Finance Committee approved a commitment of \$2,290 million to provide a subordinated loan to the Ocean Park Corporation for a period of 20 years at a floating interest rate, which is equivalent to the interest rate of the Government's fiscal reserves placed with the Exchange Fund, for the Corporation to proceed with the Tai Shue Wan Development Project of the Ocean Park. The loan was fully drawn in 2018–19 but no repayment is expected in 2019–20 and 2020–21.

Head 275—Small and Medium Enterprises

Special finance scheme for small and medium enterprises

31 On 31 July 1998, the Finance Committee approved a commitment of \$2,500 million for the establishment of a special finance scheme, which operated on a revolving basis, to provide guarantees for loans or credit facilities extended by recognised lending institutions to small and medium enterprises which were then hard hit by the liquidity crunch in Hong Kong. The maximum amount of the guarantee in each case was either \$2 million or 50% of an approved loan, whichever was the less. On 23 April 1999, the Finance Committee approved an increase in the maximum amount of the guarantee in each case to either \$2 million or 70% of an approved loan, whichever was the less. Under the scheme, the Government placed with a lending institution, on request, a deposit of up to the amount of each guarantee issued. On 12 November 1999, the Finance Committee approved the increase of the commitment to \$5 billion and at the same time the revocation of the deposit option for lending institutions. On 8 April 2000, the Government stopped receiving further applications. On 30 September 2000, all outstanding applications were either processed or withdrawn. Placements of deposits and payments of compensation under guarantees in default cases as well as the related costs are classified as payments while uplifting of deposits and recoveries of compensation are classified as receipts. The net amount of payments as at 31 March 2019 was \$67,954,000. The estimated payments and repayments in 2019–20 are \$50,000 and \$163,000 respectively. The estimated payments and repayments for 2020–21 are \$50,000 and \$96,000 respectively.

Head 276—Water Supply

Loan to the Guangdong Provincial People's Government for water quality improvement project

32 On 3 April 1998, the Finance Committee approved a commitment of \$2,364 million to provide an interest-free loan to the Guangdong Provincial People's Government to help finance a works project in Guangdong to improve the quality of water supplied to the Hong Kong Special Administrative Region. The loan was fully drawn by 2002–03. The loan is repayable in 20 equal annual instalments starting from 2003–04. The estimated repayments in both 2019–20 and 2020–21 are \$118,200,000.

Head 280—Private Hospital Development

Loan for the CUHK Medical Centre Development Project

33 On 17 April 2015, the Finance Committee approved a commitment of \$4,033 million for the provision of a loan to the CUHK Medical Centre Limited, a wholly-owned subsidiary of the Chinese University of Hong Kong, for developing a non-profit-making private teaching hospital, to be named the CUHK Medical Centre. The 15-year loan is interest-free for the first five years from the first drawdown on 20 March 2017, and involves a floating interest rate from 2022 onwards equivalent to the interest rate of the Government's fiscal reserves placed with the Exchange Fund. No repayment is expected in 2019–20 and 2020–21.

Head 281—Property Management Services Authority

Loan to the Property Management Services Authority

34 On 18 November 2017, the Finance Committee approved a commitment of \$22 million as a one-off loan to the Property Management Services Authority to meet its set-up costs and initial operating expenses. The loan principal will be repaid by five equal annual instalments (i.e. each instalment of \$4,400,000) starting from 2020–21. The loan interest will be paid once each financial year at the "no-gain-no-loss" rate on the outstanding loan amount. The estimated repayment in 2020–21 is \$4,400,000.

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(Payments)

Sub-head (Code)	Approved commitment	Actual expenditure to 31.3.2019	Revised estimate 2019–20	Estimate 2020–21	
	\$'000	\$'000	\$'000	\$'000	
Loans					
Head 251—Housing					
Housing assistance for civil servants					
151	Housing loans^.....	10,438,000	190,458	572,100	691,700
	<i>Head 251: total</i>	<u>10,438,000</u>	<u>190,458</u>	<u>572,100</u>	<u>691,700</u>
Head 252—Loans to Schools/Teachers					
106	Start-up loan for post-secondary education providers.....	9,000,000	7,668,119	—	14,400
	<i>Head 252: total</i>	<u>9,000,000</u>	<u>7,668,119</u>	<u>—</u>	<u>14,400</u>
Head 254—Loans to Students†					
101	Means-tested loan for tertiary students pursuing publicly-funded programmes.....	—	12,887,275	153,112	175,511
102	Non-means-tested loan scheme.....	—	22,222,017	1,624,099	1,706,198
103	Means-tested loan for post-secondary students..	—	2,650,340	142,322	152,327
	<i>Head 254: total</i>	<u>—</u>	<u>37,759,632</u>	<u>1,919,533</u>	<u>2,034,036</u>
Head 255—Interest-free loans to employees injured at work and dependants of employees who died as a result of work- related accidents					
101	Loans to employees injured at work and dependants of deceased employees^	10,000	153	45	45
	<i>Head 255: total</i>	<u>10,000</u>	<u>153</u>	<u>45</u>	<u>45</u>
Head 262—Primary Products					
101	Fisheries loans^.....	1,100,000	889,579	69,475	40,095
132	Fish Marketing Organization Loan Fund— fishing moratorium loan scheme^	60,000	19,107	60,000	60,000
	<i>Head 262: total</i>	<u>1,160,000</u>	<u>908,686</u>	<u>129,475</u>	<u>100,095</u>

^ The actual expenditure to 31.3.2019 represents the net amount of outstanding loans as at that date.

† Approved commitment is not shown as the balance available does not limit the total loans payable. The Government will make supplementary funds available if necessary.

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(Payments)

Sub-head (Code)	Approved commitment	Actual expenditure to 31.3.2019	Revised estimate 2019–20	Estimate 2020–21	
	\$'000	\$'000	\$'000	\$'000	
Loans					
Head 269—Building Safety					
101	Comprehensive Building Safety Improvement Loan Scheme^	700,000	109,248	30,000	40,000
	<i>Head 269: total</i>	700,000	109,248	30,000	40,000
Head 275—Small and Medium Enterprises					
101	Special finance scheme for small and medium enterprises^	5,000,000	67,954	50	50
	<i>Head 275: total</i>	5,000,000	67,954	50	50
Total (Payments)					
	26,308,000	46,704,250	2,651,203	2,880,326	

^ The actual expenditure to 31.3.2019 represents the net amount of outstanding loans as at that date.

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(Receipts)

Sub-head (Code)	Actual receipts to 31.3.2019§	Revised estimate 2019–20	Estimate 2020–21
	\$'000	\$'000	\$'000
Loan repayments			
Head 251—Housing			
Hong Kong Housing Society			
213	Rural public housing		
	(i) Tui Min Hoi.....	24,492	758
	(ii) Sha Tau Kok.....	76,660	2,762
216	Home starter loan scheme.....	12,157,566	2,254
Housing assistance for civil servants			
251	Housing loans@.....	—	32,800
	<i>Head 251: total</i>	12,258,718	38,574
Head 252—Loans to Schools/Teachers			
204	Loans to non-profit-making international schools.....	472,480	63,429
206	Start-up loan for post-secondary education providers.....	3,988,378	411,561
	<i>Head 252: total</i>	4,460,858	474,990
Head 254—Loans to Students			
201	Means-tested loan for tertiary students pursuing publicly-funded programmes.....	11,274,044	143,481
202	Non-means-tested loan scheme.....	11,559,530	1,042,152
203	Means-tested loan for post-secondary students.....	1,194,714	123,805
211	Students of approved post-secondary colleges.....	188,693	5
	<i>Head 254: total</i>	24,216,981	1,309,443
Head 255—Interest-free loans to employees injured at work and dependants of employees who died as a result of work-related accidents			
201	Loans to employees injured at work and dependants of deceased employees@.....	—	56
	<i>Head 255: total</i>	—	56

§ The "Actual receipts to 31.3.2019" figures do not include receipts from interest on loans, surcharges on overdue loan repayments, investment income and transfer from General Revenue.

@ Actual receipts to 31.3.2019 are not shown as the item is a revolving loan.

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(Receipts)

Sub-head (Code)	Actual receipts to 31.3.2019§	Revised estimate 2019–20	Estimate 2020–21
	\$'000	\$'000	\$'000
Loan repayments			
Head 262—Primary Products			
201	—	37,279	55,970
232	—	64,108	60,000
	—	101,387	115,970
Head 269—Building Safety			
201	—	42,723	44,549
	—	42,723	44,549
Head 275—Small and Medium Enterprises			
201	—	163	96
	—	163	96
Head 276—Water Supply			
201	1,891,200	118,200	118,200
	1,891,200	118,200	118,200
Head 281—Property Management Services Authority			
201	—	—	4,400
	—	—	4,400
	42,827,757	2,085,536	2,159,628

§ The "Actual receipts to 31.3.2019" figures do not include receipts from interest on loans, surcharges on overdue loan repayments, investment income and transfer from General Revenue.

@ Actual receipts to 31.3.2019 are not shown as the item is a revolving loan.

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(Receipts)

Sub-head (Code)	Actual receipts to 31.3.2019§	Revised estimate 2019–20	Estimate 2020–21
	\$'000	\$'000	\$'000
Interest on loans	—	172,445	180,363
Surcharges on overdue loan repayments	—	4,784	4,784
Investment income	—	103,225	146,000
Transfer from General Revenue	—	1,000,000	—
Total (Receipts)	<u>42,827,757</u>	<u>3,365,990</u>	<u>2,490,775</u>

§ The "Actual receipts to 31.3.2019" figures do not include receipts from interest on loans, surcharges on overdue loan repayments, investment income and transfer from General Revenue.

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Movement of the Account

	Actual				Revised Estimate	Estimate
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	2,472	4,468	4,184	4,095	3,535	4,250
Revenue	2,186	2,385	2,701	2,852	2,366	2,490
Expenditure	3,190	4,669	4,790	4,412	2,651	2,880
Surplus/(Deficit) before Transfer from GRA	(1,004)	(2,284)	(2,089)	(1,560)	(285)	(390)
Net Transfer from GRA	3,000	2,000	2,000	1,000	1,000	—
Surplus/(Deficit) after Transfer from GRA	1,996	(284)	(89)	(560)	715	(390)
Closing Balance	4,468	4,184	4,095	3,535	4,250	3,860

Revenue Analysis

	Actual				Revised Estimate	Estimate
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	\$m	\$m	\$m	\$m	\$m	\$m
Loan Repayments	1,818	1,925	2,120	2,242	2,086	2,159
Interest on Loans	155	151	162	166	172	180
Surcharges on Overdue Loan Repayments	4	5	5	5	5	5
Investment Income	—#*	134	121	158	103	146
Proceeds from Sale of Loans	209	170	293	281	—	—
Total Revenue	2,186	2,385	2,701	2,852	2,366	2,490

Figures less than \$1 million are not reflected here.

* This provision includes investment income from cash balances but excludes investment income placed with the Exchange Fund. The investment income placed with the Exchange Fund for 2015-16, which stood at \$115,934,000, along with the investment income on other parts of the fiscal reserves, has been set aside and retained within the Exchange Fund for the Housing Reserve.

LOAN FUND

Expenditure Analysis

	Actual				Revised Estimate	Estimate
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	\$m	\$m	\$m	\$m	\$m	\$m
Loans						
Housing	230	243	286	298	572	692
Loans to Schools/Teachers	352	136	183	318	—	14
Loans to Students	1,999	2,020	1,967	1,876	1,920	2,034
Labour	—#	—#	—#	—	—#	—#
Primary Products	396	200	246	163	129	100
Building Safety	63	45	32	33	30	40
Tourism	150	210	570	990	—	—
Small and Medium Enterprises	—	—	—	—	—#	—#
Private Hospital Development	—	1,815	1,492	726	—	—
Property Management Services Authority	—	—	14	8	—	—
Total Expenditure	3,190	4,669	4,790	4,412	2,651	2,880

Figures less than \$1 million are not reflected here.

Estimated Outstanding Commitment of Loan Fund

	Outstanding Commitment
As at 31 March 2020	\$m 16,632