

立法會
Legislative Council

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LC Paper No. CB(2)1481/19-20
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by the Administration)

Panel on Home Affairs

Minutes of meeting
held on Monday, 13 July 2020, at 9:30 am
in Conference Room 2A of the Legislative Council Complex

- Members present** : Hon LAU Kwok-fan, MH(Chairman)
Hon CHAN Chi-chuen (Deputy Chairman)
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon MA Fung-kwok, SBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon Jimmy NG Wing-ka, BBS, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon KWONG Chun-yu
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
- Member attending** : Hon Tanya CHAN
- Members absent** : Hon Steven HO Chun-yin, BBS
Hon KWOK Wai-keung, JP
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon Kenneth LAU Ip-keung, BBS, MH, JP

**Public Officers :
attending**

Item II

Mr Caspar TSUI Ying-wai, JP
Secretary for Home Affairs

Mr YEUNG Tak-keung, JP
Commissioner for Sports
Home Affairs Bureau

Mr Paul CHENG Ching-wan
Principal Assistant Secretary for Home Affairs (Recreation
and Sport)1

Hong Kong Football Association

Mr PUI Kwan-kay, SBS, MH
Chairman

Mr Vincent YUEN Mun-chuen
General Secretary

Item III

Mr Caspar TSUI Ying-wai, JP
Secretary for Home Affairs

Mr YEUNG Tak-keung, JP
Commissioner for Sports
Home Affairs Bureau

Ms Ida LEE Bik-sai, JP
Deputy Director of Leisure and Cultural Services (Leisure
Services)

Mr Benjamin HUNG Tak-chuen
Assistant Director (Leisure Services) 2
Leisure and Cultural Services Department

**Clerk in
attendance :**

Ms Joanne MAK
Chief Council Secretary (2) 3

**Staff in
attendance :**

Miss Connie AU
Senior Council Secretary (2) 6

Mrs Fanny TSANG
Legislative Assistant (2) 3

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I. Information paper(s) issued since the last meeting

[LC Paper Nos. CB(2)1346/19-20(01) and (02)]

Members noted that a letter dated 6 July 2020 from Hon IP Kin-yuen and the Administration's response [LC Paper Nos. CB(2)1346/19-20(01) and (02)] had been issued after the last meeting.

II. Hong Kong Football Association Strategic Plan

[LC Paper Nos. CB(2)1317/19-20(01) to (02) and CB(2)1340/19-20(01)]

2. At the invitation of the Chairman, the Secretary for Home Affairs ("SHA") briefed members on the salient points of the Administration's paper [LC Paper No. CB(2)1317/19-20(01)].

Discussion

Governance of Hong Kong Football Association ("HKFA")

3. Some members including the Chairman, Mr SHIU Ka-chun and Dr Fernando CHEUNG expressed grave concern about the governance of HKFA. They said that the Director of Audit had identified in his Report No. 74 ("the Director of Audit's Report") a number of administrative and governance issues of HKFA. They supported the Administration to put in place measures to monitor HKFA's performance in the Vision 2025 Strategic Plan ("V2025 Plan") proposed by HKFA. Dr CHEUNG said that key performance indicators ("KPIs") should be specified in the V2025 Plan. Moreover, the Administration should reduce the funding level if the KPIs were not met and consideration should be given to appointing independent directors to the HKFA Board with a view to improving its governance. Mr SHIU also suggested that an appropriate reward and punishment system should be included in the funding agreement between the Government and HKFA to enhance accountability. He further suggested that players, coaches or managers, and fans should be represented on the HKFA Board. Dr CHEUNG considered that the governance structure of HKFA should be reviewed. The Chairman expressed concern about the unsatisfactory attendance rate of some members at meetings of the HKFA Board of Directors and its committees as pointed out in the Director of Audit's Report. Ms Tanya CHAN expressed support for the Football Task Force ("FTF")'s

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recommendation to reduce the salaries of the top tier management staff of HKFA.

4. SHA said that HKFA had met 23 out of 33 performance targets and indicators set out in the funding agreement for the Five-year Strategic Plan ("Five-year Plan"). In particular, FTF commended HKFA in developing grassroots and youth football, women's and girls' football and futsal. Nevertheless, HKFA could not meet 10 other performance targets and indicators including the number of coaches, the average daily website hits of the HKFA website and the average attendance per Hong Kong Premier League ("HKPL") match.

5. SHA further said that the Home Affairs Bureau ("HAB") had accepted the recommendation of FTF and the Sports Commission to grant in-principle support to some football development initiatives under the V2025 Plan. These initiatives mostly focused on the development of young players and continuous capacity building in football professionals. SHA pointed out that HKFA should develop appropriate performance targets and indicators for the initiatives concerned for the Administration to monitor HKFA's progress. The performance targets and indicators would be set out in the funding agreement. The Administration would consider reducing the amount earmarked for HKFA or shortening the cycle of funding should there be significant shortfalls in compliance and/or fulfilment of performance targets/indicators with a view to enhancing the financial leverage to induce the desired changes. HAB would conduct a mid-term review of the V2025 Plan by end-2022. SHA added that the Administration had urged HKFA to enhance its communication and build a closer relationship with stakeholders to build consensus and secure their support for its work and new initiatives.

6. The Chairman of HKFA ("C of HKFA") said that HKFA would actively follow up the issues raised in the Director of Audit's Report, including problems relating to the governance of HKFA. HKFA would also review its organization structure and improve the inter-departmental communication and coordination as appropriate. C of HKFA further said that HKFA would need to retain suitable management and administrative staff so that HKFA could make improvements to its governance and implement the V2025 Plan.

Reliance on public funding

7. Mr Holden CHOW expressed concern about HKFA's heavy reliance on public funding. Ms Tanya CHAN said that HKFA should strengthen its effort in attracting commercial sponsorship. Sharing a similar view,

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Mr CHOW considered that commercial sponsors could provide impetus for HKFA to improve its governance and performance. Mr MA Fung-kwok took the view that tax concession should be granted to commercial sponsorship for local football. SHA responded that while the Government was committed to promoting local sports, the support from the business sector was also important to its sustainable development. SHA explained that Hong Kong adopted a simple tax regime. If a commercial entity sponsored sports activities to promote its own business, the sponsorship could be treated as a marketing expense and was deductible for tax purpose. The Administration had also implemented measures to encourage "national sports associations" ("NSAs") to seek sponsorships and donations. SHA said that HKFA had met the performance target on the revenue from sponsorship and advertising which should increase by 10% year-on-year under the Five-year Plan. The General Secretary of HKFA ("GS of HKFA") said that how well a football match could generate advertising income or sponsorship would very much depend on the appeal and entertainment value of the match concerned.

8. Mr MA Fung-kwok said that affected by the social incidents in the second half of 2019 and the coronavirus disease 2019 pandemic, some football clubs, especially the HKPL clubs, were facing financial pressure due to reduced commercial sponsorship. A couple of the district football teams had even announced that they would not participate in the HKPL matches in the 2019-2020 football season. Mr MA said that the lackluster performance of some district football teams failed to boost the public's interest in the matches. He was of the view that the Administration/HKFA should implement measures to foster the public's enthusiasm for local football. SHA responded that HAB had implemented the District Football Funding Scheme to provide funding support to the 18 district teams playing in HKPL, First Division, Second Division and Third Division. That apart, the Leisure and Cultural Services Department ("LCSD") also provided venue support to the district football teams. SHA said that the development of young players and continuous capacity building in football professionals were conducive to encouraging wider public participation in this sport and the Administration would enhance the support in this regard. Mr SHIU Ka-chun requested the Administration to monitor the use of government funding by district football teams and to explore with District Councils how best to enhance the operation of district teams.

Development of young players

9. While appreciating that HKFA had exceeded the performance targets relating to the promotion of grassroots and youth football, Ms Tanya CHAN

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expressed concern that the number of coaches with the Youth Football Leader Certificate fell short of the performance target by as much as 48% in the Five-year Plan.

10. Mr LUK Chung-hung declared that he was an honorary patron of the Yuen Long Football Club and his son played for the youth team of a football club. Mr LUK said that nurturing young football players was conducive to improving the overall performance of local football. He considered that the remuneration package of the directors and coaches of youth teams should be improved. Apart from the funding already earmarked for initiatives in youth training in the V2025 Plan, Mr LUK suggested that the Administration should deploy the unspent amount of the Five-year Plan to further enhance the development of young players. Mr LUK sought details of the new initiative to assist football clubs in implementing their youth training systems under the V2025 Plan. He suggested that qualifying matches should be arranged for the proposed Premier Youth League ("PYL") so that youth teams other than those of the HKPL clubs could have the opportunity to take part in the PYL matches. He also suggested that consideration should be given to subsidizing coaches to receive training overseas.

11. The Commissioner for Sports ("C for S") responded that youth training was crucial to the future development of football in Hong Kong. Hence, the Administration would provide funding support for HKFA to take forward a number of initiatives on development of young football players, including the introduction of PYL and provision of support to clubs on youth training. C for S said that according to HKFA's proposal, the PYL matches would only be open to the youth teams of HKPL clubs during the first year but might be extended to other youth teams later on subject to their meeting the prescribed criteria. With regard to the initiative on supporting the clubs' youth training work and assisting clubs to develop youth academies, HKFA was required to devise a set of objective eligibility criteria and submit them to HAB for approval. Clubs meeting the eligibility criteria would receive funding support from HKFA as part of the government's funding to HKFA for its implementation of the initiatives under the V2025 Plan.

Football training venues

12. Referring to paragraph 34 of the Administration's paper, Dr Pierre CHAN sought details of HKFA's proposal on the development of more football training centres under the V2025 Plan. C of HKFA said that HKFA encouraged HKPL clubs to develop youth teams of different age groups to facilitate the identification of potential players and nurturing the next generation of top-level professional players. To make it easier for the

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young footballers to attend training, HKFA proposed that football venues similar to the Jockey Club Kitchee Centre be developed. Dr CHAN expressed support for the proposal and pointed out that according to the standard set out in the Hong Kong Planning Standards and Guidelines, football venues were under-provided in a number of districts. C for S responded that subject to the availability of suitable government land, HAB would provide policy support to proposals from football clubs on the provision of football training venues where appropriate after consulting HKFA and the districts concerned.

Effective use of social media

13. Ms Tanya CHAN expressed concern about the hit rate of HKFA's website. She urged HKFA to improve the design of its website to make it more attractive and easier to navigate. SHA said that the website hits of HKFA's website had increased from 400 000 in 2013-2014 to 600 000 in 2019-2020 while the number of subscribers to HKFA's e-newsletter had increased from 18 000 in 2013-2014 to 30 000 in 2019-2020. That apart, the number of person who "liked" HKPL's Facebook page had also increased from 9 000 in 2013-2014 to 15 000 in 2018-2019. SHA concurred that HKFA should respond to public expectations for its website to be more interactive and to enhance the use of social media platforms for promotion. GS of HKFA explained that no dedicated staff was available to handle HKFA's website over the past decade. That said, HKFA would strengthen the relevant work in future.

Motions

14. After discussion, Mr SHIU Ka-chun moved the following motion:

(Translation)

"This Panel requests the Home Affairs Bureau to, in vetting and approving the funding for the Hong Kong Football Association ("HKFA")'s Five-year Strategic Plan, introduce in the funding agreement an incentive and penalty mechanism with a view to enhancing the motivation of HKFA to achieve its targets and ensuring the effective use of public money."

15. The Chairman put the motion to vote. The voting result was that eight members voted for the motion, and no member voted against it or abstained from voting. The Chairman declared that the motion was passed.

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16. Dr Pierre CHAN moved the following motion:

(Translation)

"This Panel requests the Hong Kong Football Association ("HKFA") and the Home Affairs Bureau to adopt the proposals put forward by the community, and embark on reforming the Board of Directors of HKFA in the coming year by including in the Board three key types of stakeholders, namely players, coaches or managers, and fans, so as to respond to the requests made by stakeholders for improvement in the governance of HKFA and enhancement in policy credibility."

17. The Chairman put the motion to vote. All members present voted for the motion. The Chairman declared that the motion was passed.

18. Mr LUK Chung-hung moved the following motion:

(Translation)

"Given that youth training is where the future of the sport of football lies, this Panel requests the Home Affairs Bureau ("HAB") to further enhance the funding support for youth training. Apart from elite training, HAB should also provide funding support for women's and girls' football as well as grassroots football, and ensure sufficient resources for youth training and reasonable remunerations for coaches and staff, with a view to enhancing the quality and popularity of youth training."

19. The Chairman put the motion to vote. All members present voted for the motion. The Chairman declared that the motion was passed.

(Post-meeting note: The Administration's response to the above three motions was issued to members vide LC Paper No. CB(2)1420/19-20(01) on 6 August 2020.)

III. Review of the Sports Subvention Scheme and the governance of "national sports associations"

[LC Paper Nos. CB(2)1317/19-20(03) and (04)]

20. At the invitation of the Chairman, SHA briefed members on the salient points of the Administration's paper [LC Paper No. CB(2)1317/19-20(03)].

Discussion

Governance of "national sports associations"

21. Ms Tanya CHAN called on the Administration to implement measures to enhance the monitoring of governance of NSAs. Citing HKFA as an example, Ms CHAN said that while it had received substantial funding support under the Sports Subvention Scheme ("SSS") and the Five-year Plan, its governance was far from satisfactory. Noting that a dedicated team would be set up by the Sports Federation & Olympic Committee of Hong Kong, China ("SF&OC") to examine the existing governance structure and operation of all NSAs and formulate a code of governance for their compliance, Ms CHAN enquired if any KPIs would be adopted and whether the dedicated team would be responsible for reviewing SF&OC's own operation as well. She considered that a reward and punishment system should be implemented for the subvented NSAs under SSS.

22. SHA said that the Administration attached great importance to the governance of NSAs and had been actively assisting NSAs in enhancing their corporate governance. Currently, LCSD had promulgated the Code of Practice and the Code of Conduct for compliance by all 60 subvented NSAs. In addition, SF&OC had been registered under the Companies Ordinance (Cap. 622) since March 2017 with a view to enhancing its management level and transparency of operation. SHA further said that the Government would provide a time-limited allocation of \$5 million per year to SF&OC for five years from 2020-2021 onwards for setting up a dedicated team to, among others, formulate a code of governance for compliance by all NSAs with a view to enhancing their corporate governance, monitoring mechanism and the transparency of their operation. The tasks to be carried out by the team were detailed in paragraph 34 of the Administration's Paper. SHA said that consideration might be given to incorporating in the subvention agreements the improvement measures and code of governance for compliance by NSAs. The Administration would also consider reducing the funding provided to individual NSAs should there be significant shortfalls in compliance. SHA added that the dedicated team would publish an annual report on its work and updates of the work would be submitted to the Panel as and when necessary. Ms CHAN said that the Administration should provide the necessary funding resources to NSAs for implementing the improvement measures.

23. The Chairman also expressed concern about the governance of NSAs. He enquired how the Administration would handle complaints relating to NSAs such as selection of athletes for participation in international events.

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SHA responded that under the Olympic Charter, SF&OC and NSAs should operate with full autonomy and must resist all pressures of any kind. Insofar the selection of athletes for participation in international events was concerned, the Administration recognized the autonomy and professionalism of SF&OC and NSAs and would not interfere with the selection work. Nevertheless, NSAs were advised to enhance their communication with the athletes and the transparency of the selection process. C for S said that as far as government funding provided to NSAs was concerned, the Government would investigate into complaints involving the potential breach of the subvention agreement by NSAs. SF&OC would follow up complaints concerning alleged breach of the Olympic Charter, the Code of Ethics of the International Olympic Committee or the Articles of Association of SF&OC. The Chairman considered that an independent appeal board should be set up to handle appeal cases regarding the selection of athletes for participation in international events to enhance the credibility of the relevant mechanism.

Pilot scheme on multi-year funding

24. Mr MA Fung-kwok considered that the provision of additional resources to SF&OC and NSAs was conducive to local sports development and enhancing the governance of NSAs. With regard to the proposed increase in the total subvention for SF&OC and the 60 subvented NSAs from about \$300 million in 2019-2020 to more than \$500 million in 2023-2024 progressively, Mr MA enquired about the respective increases in the subvention for SF&OC and NSAs. Referring to paragraph 20 of the Administration's paper, he also sought details (including the eligibility criteria and funding cycle) about the pilot scheme to provide multi-year funding for NSAs.

25. C for S said that the recurrent subvention for SF&OC in 2020-2021 would be increased to about \$40 million to cater mainly for the additional manpower required to implement various new initiatives including the enhancement of the anti-doping scheme. For the pilot scheme to provide multi-year funding for NSAs, the Deputy Director of Leisure and Cultural Services (Leisure Services) ("DDLCS(Leisure Services)") said that it aimed to facilitate the long-term planning of development strategy for NSAs. A study on overseas practices revealed that sporting success required long-term planning and very often it would take years for NSAs to prepare for high level international championships and to take part in major Games. NSAs intending to apply for multi-year funding under the pilot scheme were required to submit to LCSD a proposal setting out their development plans in the coming years. DDLCS(Leisure Services) further said that depending

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on the development plans of the respective NSAs, a funding cycle of two to four years would probably be adopted and LCSD would discuss details of the funding arrangements with them.

Support for new sports

26. Referring to the pilot scheme on promotion and development of new and trendy sports set out in paragraph 19 of the Administration's Paper, Mr MA Fung-kwok enquired about the criteria for selecting which kinds of new sports to receive the funding support and the Administration's policy of venue support for these new sports. C for S said that LCSD was working on the details of the funding mechanism. In general, LCSD venues could be used for various new sports, subject to suitability and availability of the venues requested. C for S further said that consideration might be given to making available more non-peak hour sessions of the venues for new sports activities where appropriate.

Other issues

27. Mr LUK Chung-hung enquired if NSAs were required to deploy a specified percentage of the block grant under SSS for initiatives in youth training. SHA responded that the Administration all along encouraged NSAs to strengthen youth training and each NSA had their own system of identifying and nurturing young athletes. SHA said that further to the review of SSS, LCSD had put forth a number of recommendations and enhancement measures as detailed in the Administration's paper. They included the provision of additional resources to NSAs for organizing more exchange programmes to raise the sports skill level of the youth and to broaden their horizons, strengthening capacity building for coaches, and retaining and attracting talents.

28. Referring to the relevant motion passed at the Panel meeting on 9 December 2019, Mr LUK Chung-hung enquired if the Administration had taken on board the Panel's request of introducing an additional tax allowance and increasing the tax allowance rate for enterprises which sponsored sports. SHA reiterated his response as set out in paragraph 7 above regarding the provision of tax allowance for commercial sponsorship.

29. Mr CHAN Chi-chuen enquired whether funding support was available from SSS or other government funding schemes for hosting some international events such as the Gay Games to be held in Hong Kong in 2022. SHA replied that the Government offered various funding schemes to support events of different natures. Insofar sports events were

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concerned, the funding applications should be made through the respective NSAs.

IV. Any other business

30. There being no other business, the meeting ended at 11:11 am.

Council Business Division 2
Legislative Council Secretariat
11 September 2020