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MEMO

To : CCS(2)1

From : CCS(4)1

Ref : CB4/PAC/R73


Date : 6 March 2020

Public Accounts Committee

**Recoverability of the outstanding advances to
the United Nations High Commissioner for Refugees**

The Public Accounts Committee ("PAC") Report No. 73 was tabled in the Council on 26 February 2020. In Part 5 of the Report on the "Report of the Public Accounts Committee on the Reports of the Director of Audit on the Accounts of the Government of the Hong Kong Special Administrative Region for the year ended 31 March 2018 and the Results of Value for Money Audits (Report No. 71)", the latest progress of implementing the Director of Audit's recommendations in relation to the recoverability of the outstanding advances to the United Nations High Commissioner for Refugees ("UNHCR") was reported (see the **Appendix** attached).

2. While noting that the Administration had considered it imprudent to write off the outstanding advances, which had remained at \$1,162 million since 1998, and the follow-up actions taken by the Administration so far to recover the amount were futile, PAC suggests to the Panel on Security that the Administration should re-consider writing off the outstanding sum in view of the unlikelihood of its recovery and the administrative costs involved. PAC will continue to keep in view of the development on the subject matter.


(Anthony CHU)
CCS(4)1

Encl

~~(a) according to the latest long term housing demand projection under the Long Term Housing Strategy, the public housing target for the ten-year period from 2020-2021 to 2029-2030 was 301 000 units (comprising 210 000 public rental housing/Green Form Subsidised Home Ownership Scheme units and 91 000 other subsidized sale flats); and~~

~~(b) the Administration had identified land for the construction of about 272 000 public housing units for the same period, assuming that all sites identified could be delivered on time for housing production. The gap between the amount of land identified and the public housing supply target was 29 000 units; and~~

- ~~- the Administration submitted the Long Term Housing Strategy Annual Progress Report 2019 to the LegCo Panel on Housing at the meeting held on 6 January 2020.~~

~~28. The Committee wishes to be kept informed of further development on the subject.~~

Recoverability of the outstanding advances to the United Nations High Commissioner for Refugees

(Paragraphs 15 and 16 of Part 5 of P.A.C. Report No. 71)

29. The Committee was informed that the Security Bureau reiterated again by letter to the Hong Kong Sub-office of the United Nations High Commissioner for Refugees in August 2019 the Administration's stance and registered the Hong Kong community's expectation of an early recovery of the outstanding advances.

30. Given that the outstanding advances had remained since 1998 and follow-up actions taken by the Administration to recover the amount were futile, the Committee suggests to the LegCo Panel on Security that the Administration should consider writing off the outstanding sum.