

Index Page

Replies to initial questions raised by Legislative Council Members in examining the Estimates of Expenditure 2024-25

Controlling Officer : Commissioner, Independent Commission Against Corruption
Session No. : 4

Consolidated e-file name: ICAC-1-e1.docx

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
ICAC001	0736	LIAO Cheung-kong, Martin	72	(2) Operations

CONTROLLING OFFICER'S REPLY

ICAC001

(Question Serial No. 0736)

Head: (72) Independent Commission Against Corruption

Subhead (No. & title): ()

Programme: (2) Operations

Controlling Officer: Commissioner, Independent Commission Against Corruption
(Danny YM WOO)

Director of Bureau: Commissioner, Independent Commission Against Corruption

Question:

The provision for 2024-25 is \$13.7 million higher than the revised estimate for the previous year mainly due to the filling of vacancies and increase of 23 posts, and this increase in expenditure is partly offset by the decrease in departmental expenses.

In this connection, please inform the Committee of the following:

1. the details, purposes and expenditure involved in respect of the 23 new posts;
2. the details, manpower and expenditure involved in respect of the training and development programmes of the ICAC in 2024-25 for strengthening the investigation capabilities of officers of the Operations Department in the areas of digital forensics and financial investigation to enhance the overall effectiveness in combatting corruption;
3. the details, manpower and expenditure involved in respect of the stepping up of enforcement actions concerning sectors more vulnerable to corruption, such as the building management, construction, as well as finance and insurance industries.

Asked by: Hon LIAO Cheung-kong, Martin (LegCo internal reference no.: 14)

Reply:

1. The Hong Kong International Academy Against Corruption (HKIAAC) was established on 21 February 2024. It aims to establish an international platform to foster anti-corruption efforts and advance the global anti-corruption cause through four major areas of work:
 - organising international anti-corruption training programmes for overseas graft-fighters and serving as a hub for exchange of graft-fighting experience for participants worldwide;
 - offering professional training for the HKSAR Government departments, public

bodies and private organisations to enhance their governance standards and anti-corruption capabilities;

- organising programmes recognised under the Qualifications Framework for ICAC officers to sustain enhancement of their professional standards; and
- providing a research platform for scholarly exchanges among Mainland, Hong Kong and overseas graft-fighters and anti-corruption experts.

In preparation for the establishment of the HKIAAC, the ICAC has reallocated internal resources and redeployed officers to take up various tasks at the academy. As the existing manpower is far from sufficient to meet the substantial demand for training and academic research, 23 posts will be created, including 2 posts of Commission Against Corruption Officer (Upper), 15 posts of Commission Against Corruption Officer (Middle/Lower), 1 post of Executive Officer I, 1 post of Clerical Officer and 4 posts of Assistant Clerical Officer, and the total notional annual mid-point salary value is \$21.18 million.

2. Computer forensics

With the rapid development in information and technology, investigation work is becoming increasingly complex and difficult. In 1999, the Computer Forensics Section was established under the Operations Department of the ICAC to provide support for frontline investigators in processing and analysing electronic data, and assist them in extracting from electronic devices evidence which is admissible in court. The Section currently comprises 17 posts in the Commission Against Corruption Officer Grade, including 1 post of Commission Against Corruption Officer (Upper), 11 posts of Commission Against Corruption Officer (Middle/Lower) and 5 posts of Assistant Commission Against Corruption Officer, and the total notional annual mid-point salary value is \$15.14 million.

To keep up with the ever-changing technological development, the Section maintains close liaison with local, Mainland and overseas law enforcement agencies and the information technology industry. Section members also receive different trainings and attend international conferences from time to time to ensure that the ICAC keeps abreast of the latest technological development and trend in computer forensics.

Forensic accounting

Established by the ICAC in 2011, the Forensic Accounting Group (FAG) comprises a group of certified public accountants with extensive forensic accounting experience, and most with internationally recognised professional qualifications in anti-money laundering and fraud examination. The FAG provides frontline investigators with professional support in the scope of finance and accounting, for example, by participating in operations, conducting financial analyses and investigations, and giving expert opinion in court. In the course of an investigation, the ICAC will analyse fund flows and trace crime proceeds. Any money laundering offences facilitated by or connected with corruption, if revealed, will also be pursued. In 2021, the Proceeds of

Crime Section set up years ago was restructured as the current Asset Recovery Office and incorporated into the FAG, with a view to further enhancing the ICAC's capabilities in financial investigation and recovering crime proceeds. The Asset Recovery Office is responsible for restraining, disclosing and confiscating assets in accordance with the law to deprive criminals of their crime proceeds.

Currently, the FAG is composed of 22 posts in the Forensic Accountant and Commission Against Corruption Officer Grades, including 1 post of Chief Forensic Accountant, 2 posts of Senior Forensic Accountant, 8 posts of Forensic Accountant, 1 post of Commission Against Corruption Officer (Upper), 3 posts of Commission Against Corruption Officer (Middle/Lower) and 7 posts of Assistant Commission Against Corruption Officer, and the total notional annual mid-point salary value is \$23.76 million.

The ICAC is committed to enhancing the financial investigation capabilities of its officers through sustained professional training. It also organises international seminars and training programmes to promote experience and expertise sharing and exchange.

As the expenditure on strengthening the computer forensics and financial investigation capabilities of officers of the Operations Department is a regular item which has already been included in the recurrent expenditure, the ICAC has not made separate estimates for this end.

3. The ICAC has always been alert about corruption cases closely related to people's livelihood, especially those involving the three private subsectors attracting the most corruption complaints, namely the building management, construction, and finance and insurance subsectors. In 2024-25, the ICAC will continue to keep a close eye on corruption in different industries, adopt appropriate enforcement strategies and take early intervention actions, and also remind industries of the corruption risks involved.

To step up enforcement actions against corruption in the three subsectors, the ICAC has been maintaining close liaison and cooperation with the industries and relevant regulators. For example, the ICAC has signed Memoranda of Understanding with different financial regulators in recent years to strengthen collaboration in referral of cases, information exchange and training, etc. Joint operations have also been conducted in a timely manner to crack down on corruption and other illegal activities in the industries. The ICAC also holds regular meetings with the industries to raise their anti-corruption awareness, and organises various programmes to maintain connections and facilitate information exchanges with them. Noting that the anti-corruption training programmes for managerial staff organised by the ICAC for various sectors in 2023 have received the full support of relevant regulators, the HKIAAC is planning to organise more tailor-made professional programmes for the three subsectors in 2024 to promote a culture of integrity among practitioners.

The ICAC will deploy resources and manpower flexibly in accordance with the corruption trends as well as the number and complexity of cases concerning the industries. As the expenditure on relevant law enforcement actions is a regular item which has already been included in the recurrent expenditure, and the actual expenditure will depend on operational needs, the ICAC has not made separate estimates for this end. If necessary, the ICAC will apply for additional resources and manpower in accordance with the existing mechanism.

- End -