

DISASTER RELIEF FUND

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Memorandum Note

On 1 December 1993, the Legislative Council established the Disaster Relief Fund by Resolution to provide a ready mechanism for Hong Kong to respond swiftly to international appeals for humanitarian aid in relief of disasters that occur outside Hong Kong. The Resolution provides that—

- (a) the Financial Secretary is the administrator of the Fund and he may delegate his power of administration to other public officers;
- (b) a Disaster Relief Fund Advisory Committee shall be appointed by the Chief Executive to advise the Financial Secretary on disbursements from the Fund;
- (c) the Financial Secretary shall make a single grant of cash for each purpose advised by the Disaster Relief Fund Advisory Committee;
- (d) the Financial Secretary shall obtain the consent of the Finance Committee for a grant in excess of \$8 million;
- (e) the Finance Committee may amend the limit for which the Financial Secretary is required to obtain their consent;
- (f) the Financial Secretary shall credit to the Fund—
 - (i) appropriations from the general revenue approved by the Legislative Council for the purpose of the Fund;
 - (ii) donations received for the purpose of the Fund; and
 - (iii) other sums received for the purpose of the Fund including all moneys received as interest or dividends earned on moneys invested for the Fund;
- (g) the Financial Secretary may expend moneys from the Fund for the purpose of disaster relief as may be advised by the Disaster Relief Fund Advisory Committee;
- (h) 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;
- (i) the Financial Secretary in his discretion may authorise the investment in the manner he may determine of any unexpended balance held in the Fund at any time; and
- (j) the Financial Secretary shall not transfer any moneys from the Fund to the general revenue.

2 On 10 December 1993, the Finance Committee approved an appropriation of \$50 million for the establishment of the Fund.

3 As at 31 March 2016, payments totalling about \$1,833,294,000 have been made from the Fund since its establishment.

4 As at 31 December 2016, grants totalling \$54,444,000 have been made in 2016–17. No estimate of payment is made for the remaining part of 2016–17 and 2017–18 as calls on the Fund in relief of disasters cannot be predicted.

5 Receipts for 2016–17 and 2017–18 are estimated at \$67,649,000 and \$52 million respectively.

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(Payments)

Sub-head (Code)	Actual expenditure 2015–16	Revised estimate 2016–17	Estimate 2017–18
	\$'000	\$'000	\$'000
Head 800—Disaster Relief			
372	Relief programme for cyclone victims in Vanuatu—grant to Save the Children Hong Kong Limited	3,920	—
373	Relief programme for earthquake victims in Nepal—grant to the Government of Nepal	50,000	—
374	Relief programme for earthquake victims in Nepal—grant to World Vision Hong Kong	7,000	—
375	Relief programme for earthquake victims in Nepal—grant to Habitat for Humanity Hong Kong Limited	3,499	—
376	Relief programme for earthquake victims in Nepal—grant to Amity Foundation, Hong Kong	5,846	—
377	Relief programme for earthquake victims in Nepal—grant to Plan International Hong Kong Limited	429	—
378	Relief programme for flood victims in Myanmar—grant to World Vision Hong Kong	2,430	—
379	Relief programme for flood victims in India—grant to World Vision Hong Kong	3,000	—
380	Relief programme for earthquake victims in Pakistan—grant to World Vision Hong Kong	2,930	—
381	Relief programme for flood victims in Tamil Nadu, India—grant to Oxfam Hong Kong	3,093	—
382	Relief programme for cyclone victims in Fiji—grant to Habitat for Humanity Hong Kong Limited	—	2,636
383	Relief programme for earthquake victims in Ecuador—grant to Plan International Hong Kong Limited	—	824
384	Relief programme for earthquake victims in Ecuador—grant to World Vision Hong Kong	—	3,878
385	Relief programme for drought victims in India—grant to World Vision Hong Kong	—	3,877
386	Relief programme for cyclone victims in Sri Lanka—grant to ADRA Limited	—	1,188
387	Relief programme for cyclone victims in Bangladesh—grant to ADRA Limited	—	2,000
388	Relief programme for cyclone victims in Bangladesh—grant to Habitat for Humanity Hong Kong Limited	—	3,322
389	Relief programme for flood victims in Guizhou Province, Mainland—grant to Amity Foundation, Hong Kong	—	445
390	Relief programme for cyclone victims in Sri Lanka—grant to Save the Children Hong Kong Limited	—	2,263
391	Non-tangible relief programme for earthquake victims in Ecuador—grant to World Vision Hong Kong	—	1,500
392	Relief programme for flood victims in Guizhou and Hunan Provinces, Mainland—grant to Oxfam Hong Kong	—	1,000
393	Relief programme for flood victims in Hunan, Hubei and Anhui Provinces, Mainland—grant to World Vision Hong Kong	—	5,000

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(Payments)

Sub-head (Code)	Actual expenditure 2015–16	Revised estimate 2016–17	Estimate 2017–18
	\$'000	\$'000	\$'000
Head 800—Disaster Relief—Cont'd.			
394			
Relief programme for flood victims in Guangxi Zhuang Autonomous Region, Hunan Province, Anhui Province and Yunnan Province, Mainland—grant to Amity Foundation, Hong Kong	—	6,309	—
395			
Relief programme for flood victims in Hubei Province, Mainland—grant to Save the Children Hong Kong Limited...	—	4,006	—
396			
Relief programme for flood victims in Assam, India—grant to Oxfam Hong Kong	—	3,490	—
397			
Relief programme for flood victims in Bihar, India—grant to Hong Kong Red Cross.....	—	1,346	—
398			
Relief programme for flood victims in Assam and Bihar, India—grant to Save the Children Hong Kong Limited	—	2,289	—
399			
Relief programme for hurricane victims in Haiti—grant to World Vision Hong Kong	—	6,000	—
400			
Relief programme for hurricane victims in Haiti—grant to Plan International Hong Kong Limited	—	521	—
401			
Relief programme for flood victims in Vietnam—grant to Habitat for Humanity Hong Kong Limited	—	2,550	—
	<u>82,147</u>	<u>54,444</u>	<u>—</u>
<i>Head 800: total</i>	<u>82,147</u>	<u>54,444</u>	<u>—</u>
Total (Payments)			
	<u><u>82,147</u></u>	<u><u>54,444</u></u>	<u><u>—</u></u>

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(Receipts)

	Actual receipts 2015–16	Revised estimate 2016–17	Estimate 2017–18
	\$'000	\$'000	\$'000
Investment income	—*	1,314	2,000
Refund of grants	1,102	2,335	—
Transfer from General Revenue	80,000	64,000	50,000
Total (Receipts)	<u>81,102</u>	<u>67,649</u>	<u>52,000</u>

* The investment income for 2015–16 on the balance of the Disaster Relief Fund placed with the Exchange Fund is \$1,260,000. This, 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.

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Movement of the Account

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	7	6	31	15	14	28
Revenue	1	3	2	1	4	2
Expenditure	54	171	47	82	54	—
Surplus/(Deficit) before Transfer from GRA	(53)	(168)	(45)	(81)	(50)	2
Transfer from GRA	52	193	29	80	64	50
Surplus/(Deficit) after Transfer from GRA	(1)	25	(16)	(1)	14	52
Closing Balance	6	31	15	14	28	80

Revenue Analysis

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Investment Income	1	1	—*	—*	1	2
Refund of Grants	—#	2	2	1	3	—
Donations	—	—#	—	—	—	—
Total Revenue	1	3	2	1	4	2

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

* The investment incomes for 2014-15 and 2015-16 on the balance of the Disaster Relief Fund placed with the Exchange Fund are \$1,059,000 and \$1,260,000 respectively. These, along with the investment income on other parts of the fiscal reserves, have been set aside and retained within the Exchange Fund for the Housing Reserve.

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Expenditure Analysis

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Payments	54	171	47	82	54	—
Total Expenditure	54	171	47	82	54	—

Note: The 2016-17 Revised Estimate on payments reflects grants made as at 31 December 2016. No estimate of payment is made for the remaining part of 2016-17 and 2017-18 as calls on the Fund in relief of disasters cannot be predicted.