

Head 35 — GOVERNMENT SECRETARIAT: BEIJING OFFICE

Controlling officer: Director, Beijing Office will account for expenditure under this Head.

Estimate 2000–01 **\$57.3m**

Establishment ceiling 2000–01 (notional annual mid-point salary value) representing an estimated 17 non-directorate posts at 31 March 2000 and at 31 March 2001 **\$11.3m**

In addition, there will be an estimated three directorate posts at 31 March 2000 and at 31 March 2001.

Capital Account commitment balance **\$9.4m**

Controlling Officer's Report

Programmes

Programme (1) Liaison This programme contributes to Policy Area 28: Constitutional Affairs (Director, Beijing Office).

Programme (2) HKSAR Immigration-related Matters This programme contributes to Policy Area 10: Immigration Control (Secretary for Security).

Detail

Programme (1): Liaison

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	20.5	45.6 (+122.4%)	41.1 (–9.9%)	40.0 (–2.7%)

Aim

2 The aim is to enhance liaison and communication with the Central People's Government (CPG) and other Mainland provincial/municipal authorities.

Brief Description

3 The Beijing Office's role is to further enhance liaison and communication between the Government of the Hong Kong Special Administrative Region (HKSAR) and the CPG and other Mainland provincial/municipal authorities. This will enable the Government of the HKSAR to have a better understanding of the policies and practices in the Mainland and to evaluate their possible implications on Hong Kong. Further, as the implementation of "one country, two systems" is unprecedented, it is important that we provide an accurate and up-to-date picture of the HKSAR to the CPG and other Mainland authorities so that they fully understand how the provisions of the Basic Law, in particular "one country, two systems" and "Hong Kong people running Hong Kong" with "a high degree of autonomy", are being put into practice.

4 The Beijing Office's main responsibilities under this programme are to:

- provide information about the HKSAR to the CPG, other Mainland authorities and non-governmental bodies;
- keep the relevant bureaux and departments of the Government of the HKSAR informed about the latest developments in the Mainland;
- take necessary action with the Mainland authorities on specific issues on the basis of the instructions of the relevant bureaux and departments of the Government of the HKSAR;
- liaise with various CPG authorities and municipal/provincial representative offices in Beijing;
- liaise with HKSAR non-governmental bodies in the Mainland;
- provide logistical support to visiting delegations of the Government of the HKSAR; and
- provide information on Hong Kong to, and handle enquiries from, the general public.

In 1999, the aim of the programme has been broadly achieved.

5 Since the commencement of its operation in March 1999, the Beijing Office has gradually established a liaison network involving over 30 ministries/commissions of the CPG and 30 provincial/municipal representative offices in Beijing. So far we have cultivated and maintained a cordial working relationship with all these authorities and organisations, which has helped to promote better understanding and exchanges of information between the Mainland authorities and the Government of the HKSAR. We have also provided assistance and logistical support to facilitate

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discussion of specific issues between the CPG and the Government of the HKSAR, particularly on economic and trade matters. Moreover, the Beijing Office has provided input for the participation of the Government of the HKSAR in a number of major events organised by the CPG, such as the celebration of the 50th Anniversary of the establishment of the People's Republic of China. In addition, we have maintained regular contacts with the Hong Kong business community in Beijing to brief them on the latest developments in Hong Kong and exchange views with them on issues of mutual interest. We have also established relationship with HKSAR non-governmental organisations in the Mainland, such as the Trade Development Council and the Hong Kong Tourist Association.

6 In the past 12 months, the Beijing Office has organised a number of publicity activities in the Mainland to promote the image and publicise the development of Hong Kong. These included two very well-received exhibitions held in Beijing and Shanghai. Another exhibition in Wuhan and a series of major promotional events entitled "Hong Kong Week" in Tianjin have been planned to be held in March 2000. We also arranged a number of meet-the-media sessions for visiting senior officials of the Government of the HKSAR. Good contacts with major media organisations in Beijing have been established and maintained. Periodic briefing on issues of interest have been given to them. We also handled over 230 public enquiries and requests of assistance.

Matters Requiring Special Attention in 2000-01

7 During 2000-01, the Beijing Office will:

- broaden its liaison network with the CPG and other Mainland authorities/organisations; and
- organise activities in selected regions to promote Hong Kong's image as a special administrative region under the "one country, two systems" principle.

Programme (2): HKSAR Immigration-related Matters

	1998-99 (Actual)	1999-2000 (Approved)	1999-2000 (Revised)	2000-01 (Estimate)
Financial provision (\$m)	9.3	19.8 (+112.9%)	17.4 (-12.1%)	17.3 (-0.6%)

Aim

8 The aim is to facilitate the application of foreign nationals in the Mainland for entry visas to the HKSAR and to maintain close liaison with relevant CPG departments as well as foreign diplomatic corps in Beijing on immigration matters.

Brief Description

9 The Immigration Section of the Beijing Office deals with the following HKSAR immigration-related matters :

- processing applications for entry to Hong Kong for visit, employment, investment, training, residence and education in accordance with approved immigration policies and procedures;
- conducting negotiations on visa-free access with foreign diplomatic missions which have embassies only in Beijing but do not have representation in the HKSAR;
- liaising with diplomatic corps in Beijing on HKSAR immigration matters;
- liaising and maintaining contacts with counterparts in relevant CPG departments on immigration and nationality matters; and
- providing practical assistance to Hong Kong residents in the Mainland.

In 1999, all activities of the Immigration Section of the Beijing Office met the performance targets.

10 In the past 12 months, apart from offering practical assistance to Hong Kong residents in distress in the Mainland, the Beijing Office also took on the additional task of handling cases involving the detention of Hong Kong residents in the Mainland.

11 The key performance measures in respect of HKSAR Immigration-related matters are:

Targets

	Target	1998 (Actual)	1999 (Actual) % within target working days	2000 (Plan)
average processing time per case unreferred visas/entry permits.....	three working days	—	97†	90

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	Target	1998 (Actual)	1999 (Actual) % within target working days	2000 (Plan)
referred visas/entry permits	within six weeks upon receipt of supporting documents	—	76	70

† The target for 1999 was 90%. The 1999 actual performance was based on only ten months of operation covering the period from March to December 1999.

Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
unreferred visas/entry permits			
received	—	7 370#	11 410
processed	—	7 149#	11 410
referred visas/entry permits			
received	—	3 666#	5 920
processed	—	2 786#	5 920

The Immigration Section of the Beijing Office started to receive applications on 2 March 1999. The statistics for 1999 covered the period from March to December.

Matters Requiring Special Attention in 2000–01

12 During 2000–01, the Immigration Section of the Beijing Office will:

- suspend the project of extending Immigration Department's Processing Automation Computer System to the Beijing Office. In 1999, our target was to process 90% of unreferred visa/entry permit applications within three working days, and our performance had reached 97% on the basis of the present mechanism. It is therefore considered not cost-effective to proceed with the project for the time being, but the matter will be kept under review; and
- continue to provide practical assistance to Hong Kong residents in the Mainland, and to assume the role to channel requests from Hong Kong residents to the appropriate Mainland authorities.

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ANALYSIS OF FINANCIAL PROVISION

Programme	1998–99 (Actual) (\$m)	1999–2000 (Approved) (\$m)	1999–2000 (Revised) (\$m)	2000–01 (Estimate) (\$m)
(1) Liaison	20.5	45.6	41.1	40.0
(2) HKSAR Immigration-related Matters.....	9.3	19.8	17.4	17.3
	<u>29.8</u>	<u>65.4</u> (+119.5%)	<u>58.5</u> (–10.6%)	<u>57.3</u> (–2.1%)

Analysis of Financial and Staffing Provision

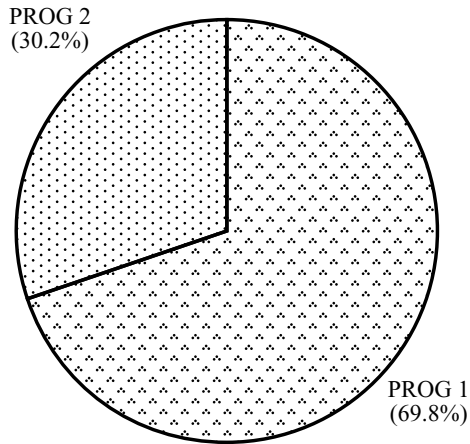
Programme (1)

Provision for 2000–01 is \$1.1 million (2.7%) lower than the revised estimate for 1999–2000. This is mainly due to reduced cashflow requirements for the setting-up expenses for the office, partly offset by the increase in activities to broaden the liaison network with the Central People's Government and other Mainland authorities/organisations, the increase in activities to promote Hong Kong's image, and the full-year provision for maintenance cost.

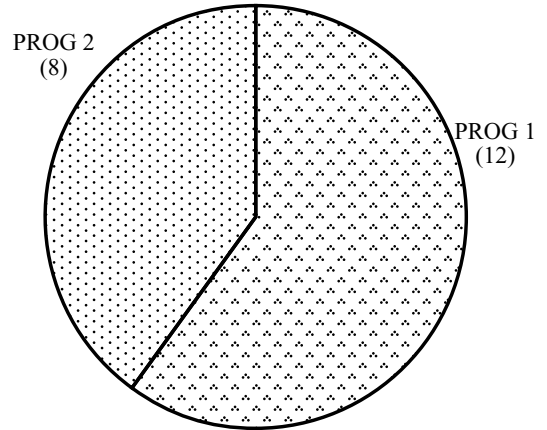
Programme (2)

Provision for 2000–01 is \$0.1 million (0.6%) lower than the revised estimate for 1999–2000. This is mainly due to reduced cashflow requirements for the setting-up expenses for the office, partly offset by the additional resources for providing practical assistance to Hong Kong residents in the Mainland.

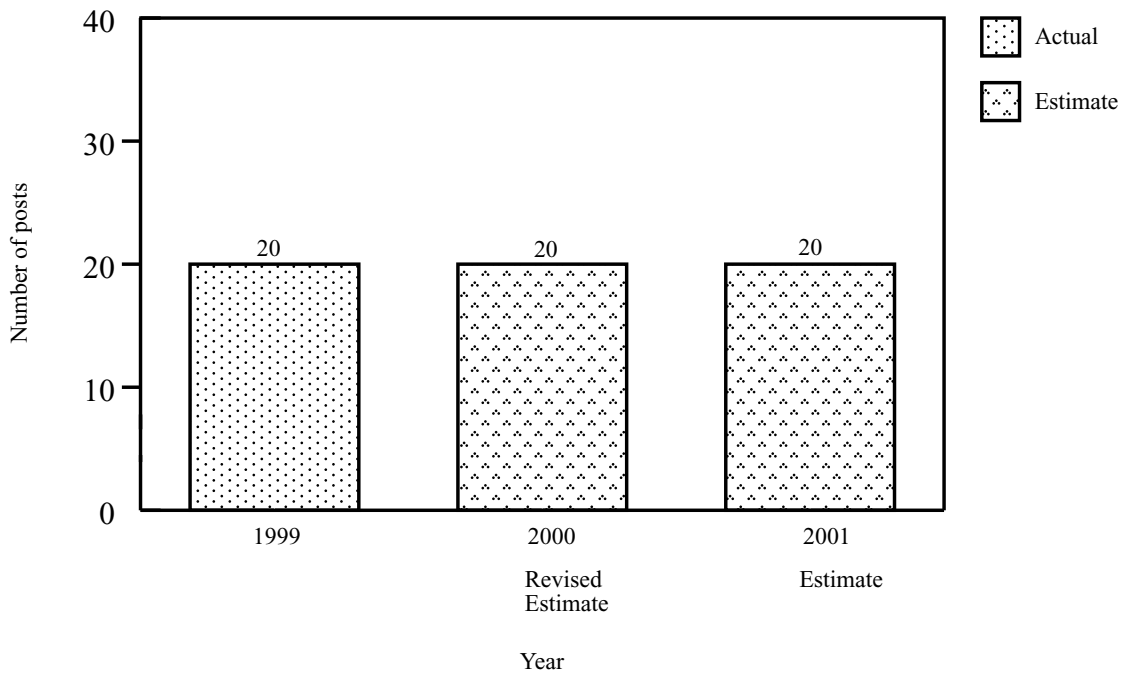
Allocation of provision to programmes (2000-01)



Staff by programme (as at 31 March 2001)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 1998–99	Approved estimate 1999–2000	Revised estimate 1999–2000	Estimate 2000–01	
	\$'000	\$'000	\$'000	\$'000	
Recurrent Account					
I — Personal Emoluments					
001	Salaries	5,321	16,676	16,009	16,480
002	Allowances	3,677	17,703	13,478	16,100
	Total, Personal Emoluments	<u>8,998</u>	<u>34,379</u>	<u>29,487</u>	<u>32,580</u>
III — Departmental Expenses					
111	Hire of services and professional fees	193	1,440	1,230	1,440
149	General departmental expenses	2,140	19,445	10,413	15,078
	Total, Departmental Expenses	<u>2,333</u>	<u>20,885</u>	<u>11,643</u>	<u>16,518</u>
IV — Other Charges					
205	Publicity	251	4,000	4,000	4,000
	Total, Other Charges	<u>251</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
	Total, Recurrent Account	<u>11,582</u>	<u>59,264</u>	<u>45,130</u>	<u>53,098</u>
Capital Account					
II — Other Non-Recurrent					
700	General other non-recurrent	18,249	6,146	13,363	4,246
	Total, Other Non-Recurrent	<u>18,249</u>	<u>6,146</u>	<u>13,363</u>	<u>4,246</u>
	Total, Capital Account	<u>18,249</u>	<u>6,146</u>	<u>13,363</u>	<u>4,246</u>
	Total Expenditure	<u><u>29,831</u></u>	<u><u>65,410</u></u>	<u><u>58,493</u></u>	<u><u>57,344</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2000–01 for the salaries and expenses of the Beijing Office is \$57,344,000. This represents a decrease of \$1,149,000 against the revised estimate for 1999–2000 and an increase of \$27,513,000 on actual expenditure in 1998–99.

Recurrent Account

Personal Emoluments

2 Provision of \$32,580,000 for personal emoluments represents an increase of \$3,093,000 over the revised estimate for 1999–2000 taking into account salary increments and possible increase in the number of staff eligible for higher married/family rates of allowances.

3 The establishment at 31 March 2000 will be 20 permanent posts. No change in establishment is expected in 2000–01.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2000–01, but the notional annual mid-point salary value of all such posts must not exceed \$11,265,000.

5 Provision of \$16,100,000 under *Subhead 002 Allowances* is for standard allowances and the following non-standard allowances—

	<i>Rate</i>
special posting allowance (for Hong Kong based staff)	rates for individual officers to be adjusted periodically on the basis of the inflation index for Beijing as published by the Worldwide Cost of Living Survey
rent allowance (for Hong Kong based staff)	rates for individual officers to be adjusted periodically by reference to the rental movements in Beijing as reflected in the Worldwide Cost of Living Survey

The increase of \$2,622,000 (19.5%) over the revised estimate for 1999–2000 is mainly due to the additional provision required to pay one-off allowances to new staff and to allow for increase in the number of staff eligible for higher married/family rates of allowances.

Departmental Expenses

6 Provision of \$1,440,000 under *Subhead 111 Hire of services and professional fees* is for the engagement of local personnel to undertake secretarial, clerical/messengerial and driving duties in the Beijing Office. The increase of \$210,000 (17.1%) over the revised estimate for 1999–2000 is mainly due to salary increments and filling of local staff posts.

7 Provision of \$15,078,000 under *Subhead 149 General departmental expenses* represents an increase of \$4,665,000 (44.8%) over the revised estimate for 1999–2000. This is mainly due to the increase in activities to promote Hong Kong's image, the increase in activities to broaden the liaison network, the increase in demand for providing practical assistance to Hong Kong residents in the Mainland, and the full-year provision for maintenance cost of the office premises.

Other Charges

8 Provision of \$4,000,000 under *Subhead 205 Publicity* is for conducting promotional functions and publicity activities.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.99	Revised estimated expenditure for 1999–2000	Balance
			\$'000	\$'000	\$'000	\$'000
700		<i>General other non-recurrent</i>				
	001	One-off setting-up expenses.....	40,972	18,249	13,363	9,360
		Total	<u>40,972</u>	<u>18,249</u>	<u>13,363</u>	<u>9,360</u>