

# **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 2002, grants totalling \$260,345,000 have been made from the Fund since its establishment.

**4** Grants totalling \$12,210,000 have been made so far in 2002–03. The contingency nature of the Fund will mean variable calls on the Fund. No estimate of payment is made after 13 December 2002 and for 2003–04 as there is no predictable pattern to disasters.

**5** Receipts for 2002–03 and 2003–04 are estimated at \$19,009,000 and \$14,000,000 respectively.

## DISASTER RELIEF FUND

### (Payments)

Sub-head (Code)	Actual expenditure 2001-02	Revised estimate 2002-03	Estimate 2003-04				
	\$'000	\$'000	\$'000				
<b>Head 800—Disaster Relief</b>							
123	Relief programme for earthquake victims in Peru—grant to World Vision Hong Kong.....	1,700	—				
124	Relief programme for flood victims in Guangxi Province, Mainland—grant to World Vision Hong Kong .....	1,000	—				
125	Relief programme for flood victims in Guangxi Province, Mainland—grant to Medecins Sans Frontieres Hong Kong ...	1,000	—				
126	Relief programme for flood victims in Guangxi Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited .....	500	—				
127	Relief programme for refugees in Afghanistan—grant to World Vision Hong Kong.....	2,000	—				
128	Relief programme for the most vulnerable population in Afghanistan—grant to Medecins Sans Frontieres Hong Kong .....	1,950	—				
130	Relief programme for flood victims in Sichuan and Shaanxi Provinces in Mainland—grant to Salvation Army.....	—	2,000				
131	Relief programme for flood victims in Jiangxi Province, Mainland—grant to World Vision Hong Kong .....	—	1,350				
132	Relief programme for flood victims in Hunan, Jiangxi, Guangxi and Sichuan Provinces, Mainland—grant to Hong Kong Red Cross.....	—	5,000				
133	Relief programme for famine and drought victims in Malawi, Southern Africa—grant to World Vision Hong Kong .....	—	1,360				
134	Relief programme for flood victims in Hunan Province, Mainland—grant to World Vision Hong Kong .....	—	2,000				
135	Relief programme for flood victims in Hunan Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited .....	—	500				
	<i>Head 800: total</i> .....	8,150	12,210				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>Total (Payments)</b>.....</td> <td style="text-align: right; border-top: 3px double black;">8,150</td> <td style="text-align: right; border-top: 3px double black;">12,210</td> <td style="text-align: center; border-top: 3px double black;">—</td> </tr> </table>				<b>Total (Payments)</b> .....	8,150	12,210	—
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**(Receipts)**

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	Revised estimate 2002-03	Estimate 2003-04
	\$'000	\$'000
Investment income .....	—	—
Refund of grants.....	9	—
Transfer from General Revenue.....	19,000	<b>14,000</b>
<b>Total (Receipts).....</b>	<b>19,009</b>	<b>14,000</b>

## DISASTER RELIEF FUND

### Movement of the Account

	Actual				Revised Estimate	Estimate
	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04
	\$m	\$m	\$m	\$m	\$m	\$m
OPENING BALANCE	10	19	22	11	29	36
Expenditure	38	32	43	8	12	—
Revenue	3	4	3	—	—	—
Surplus/(Deficit) before Transfer from GRA	(35)	(28)	(40)	(8)	(12)	—
Transfer from GRA	44	31	29	26	19	14
Surplus/(Deficit) after Transfer from GRA	9	3	(11)	18	7	14
CLOSING BALANCE	19	22	11	29	36	50

### Expenditure Analysis

	Actual				Revised Estimate	Estimate
	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04
	\$m	\$m	\$m	\$m	\$m	\$m
Payments	38	32	43	8	12	—
<b>Total Expenditure</b>	38	32	43	8	12	—

*Note:* The contingency nature of the Disaster Relief Fund will mean variable calls on the Fund. The payment figure for 2002-03 represents grants actually made. No estimate of payment is made after 13 December 2002 and for 2003-04 as there is no predictable pattern to disasters.

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### Revenue Analysis

	Actual				Revised Estimate	Estimate
	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04
	\$m	\$m	\$m	\$m	\$m	\$m
Investment income	3	4	1	—	—	—
Refund of grants	—	—	2	—	—	—
<b>Total Revenue</b>	3	4	3	—	—	—