

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 2003, grants totalling \$279,136,000 have been made from the Fund since its establishment.

4 As at 19 December 2003, five grants totalling \$11,004,000 have been made in 2003–04. No estimate of payment is made for the remaining part of 2003–04 and 2004–05 as there is no predictable pattern to calls on the Fund in relief of disasters.

5 Receipts for 2003–04 and 2004–05 are estimated at \$17,134,000 and \$12,206,000 respectively.

DISASTER RELIEF FUND

(Payments)

Sub-head (Code)	Actual expenditure 2002-03	Revised estimate 2003-04	Estimate 2004-05
	\$'000	\$'000	\$'000
Head 800—Disaster Relief			
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	—
136	Relief programme for drought victims in Ethiopia—grant to Oxfam Hong Kong	2,000	—
137	Relief programme for drought victims in Ethiopia—grant to World Vision Hong Kong.....	2,760	—
138	Relief programme for drought victims in Eritrea—grant to Cedar Fund	900	—
139	Relief programme for earthquake victims in the Xinjiang Uygur Autonomous Region, Mainland—grant to Jian Hua Foundation Limited	921	—
140	Relief programme for earthquake victims in the Xinjiang Uygur Autonomous Region, Mainland—grant to World Vision Hong Kong.....	—	1,500
141	Relief programme for earthquake victims in the Xinjiang Uygur Autonomous Region, Mainland—grant to The Association of Chinese Evangelical Ministry Limited	—	504
142	Relief programme for flood victims in Sri Lanka—grant to World Vision Hong Kong.....	—	1,000
143	Relief programme for flood victims in Anhui and Jiangxi Provinces, Mainland—grant to World Vision Hong Kong.....	—	3,000
144	Relief programme for flood victims in Anhui, Guangxi, Hunan and Guizhou Provinces, Mainland—grant to Hong Kong Red Cross.....	—	5,000
	<i>Head 800: total</i>	18,791	11,004
Total (Payments)		18,791	11,004

DISASTER RELIEF FUND

(Receipts)

	Revised estimate 2003-04	Estimate 2004-05
	\$'000	\$'000
Investment income	2,948	2,206
Refund of grants	186	—
Transfer from General Revenue	14,000	10,000
Total (Receipts)	<u>17,134</u>	<u>12,206</u>

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Movement of the Account

	Actual				Revised Estimate	Estimate
	1999–2000	2000–01	2001–02	2002–03	2003–04	2004–05
	\$m	\$m	\$m	\$m	\$m	\$m
OPENING BALANCE	19	22	11	29	32	38
Expenditure	32	43	8	18	11	—
Revenue	4	3	—	2	3	2
Surplus/(Deficit) before Transfer from GRA	(28)	(40)	(8)	(16)	(8)	2
Transfer from GRA	31	29	26	19	14	10
Surplus/(Deficit) after Transfer from GRA	3	(11)	18	3	6	12
CLOSING BALANCE	22	11	29	32	38	50

Expenditure Analysis

	Actual				Revised Estimate	Estimate
	1999–2000	2000–01	2001–02	2002–03	2003–04	2004–05
	\$m	\$m	\$m	\$m	\$m	\$m
Payments	32	43	8	18	11	—
Total Expenditure	32	43	8	18	11	—

Note: The payment figure for 2003–04 reflects grants already made as at 19 December 2003. No estimate of payment is made for the remaining part of 2003–04 and 2004–05 as there is no predictable pattern to calls on the Fund in relief of disasters.

DISASTER RELIEF FUND

Revenue Analysis

	Actual				Revised Estimate	Estimate
	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05
	\$m	\$m	\$m	\$m	\$m	\$m
Investment income	4	1	—	2	3	2
Refund of grants	—	2	—	—	—	—
Total Revenue	4	3	—	2	3	2