

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 2006, grants totalling about \$350,439,000 have been made from the Fund since its establishment.

4 As at 31 December 2006, 12 grants totalling \$19,389,000 have been made in 2006–07. No estimate of payment is made for the remaining part of 2006–07 and 2007–08 as calls on the Fund in relief of disasters cannot be predicted.

5 Receipts for 2006–07 and 2007–08 are estimated at \$19,705,000 and \$19,532,000 respectively.

DISASTER RELIEF FUND

(Payments)

Sub-head (Code)	Actual expenditure 2005-06	Revised estimate 2006-07	Estimate 2007-08
	\$'000	\$'000	\$'000
Head 800—Disaster Relief			
171	Relief programme for flood victims in Hunan and Guizhou Provinces, Mainland—grant to The Association of Chinese Evangelical Ministry Limited.....	1,000	—
172	Relief programme for flood victims in Sichuan Province, Mainland—grant to World Vision Hong Kong.....	2,000	—
173	Relief programme for flood victims in Chongqing, Guangxi, Guizhou and Xinjiang, Mainland—grant to Hong Kong Red Cross.....	5,000	—
174	Relief programme for earthquake victims in Pakistan—grant to World Vision Hong Kong.....	3,500	—
175	Relief programme for earthquake victims in Pakistan—grant to Mercy Corps Limited.....	1,500	—
176	Relief programme for earthquake victims in Pakistan—grant to the Government of the Islamic Republic of Pakistan.....	980	—
177	Relief programme for earthquake victims in India—grant to World Vision Hong Kong.....	1,500	—
178	Relief programme for earthquake victims in Jiangxi Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited.....	1,000	—
179	Relief programme for drought victims in Ethiopia—grant to World Vision Hong Kong.....	2,000	—
180	Relief programme for earthquake victims in Indonesia—grant to the Government of the Republic of Indonesia.....	—	977
181	Relief programme for earthquake victims in Indonesia—grant to Oxfam Hong Kong.....	—	1,992
182	Relief programme for earthquake victims in Indonesia—grant to The Salvation Army.....	—	3,300
183	Relief programme for earthquake victims in Indonesia—grant to World Vision Hong Kong.....	—	2,200
184	Relief programme for earthquake victims in Indonesia—grant to Mercy Corps Limited.....	—	1,420
185	Relief programme for earthquake victims in Indonesia—grant to The Association of Chinese Evangelical Ministry Limited.....	—	500
186	Relief programme for flood victims in Guizhou and Jiangxi Provinces, Mainland—grant to World Vision Hong Kong.....	—	2,000
187	Relief programme for flood victims in Hunan Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited.....	—	1,000
188	Relief programme for flood victims in Guangxi, Hunan and Jiangxi Provinces, Mainland—grant to Hong Kong Red Cross.....	—	2,000
189	Relief programme for drought victims in Sichuan Province, Mainland—grant to World Vision Hong Kong.....	—	1,500
190	Relief programme for typhoon victims in the Philippines—grant to World Vision Hong Kong.....	—	1,500

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(Payments)

Sub-head (Code)	Actual expenditure 2005-06	Revised estimate 2006-07	Estimate 2007-08
	\$'000	\$'000	\$'000
Head 800—Disaster Relief—Cont'd.			
191 Relief programme for typhoon victims in the Philippines— grant to The Association of Chinese Evangelical Ministry Limited	—	1,000	—
<i>Head 800: total</i>	18,480	19,389	—
Total (Payments)	<u>18,480</u>	<u>19,389</u>	<u>—</u>

DISASTER RELIEF FUND

(Receipts)

	Revised estimate 2006-07	Estimate 2007-08
	\$'000	\$'000
Investment income	2,881	2,732
Refund of grants	424	—
Transfer from General Revenue	16,400	16,800
Total (Receipts)	<u>19,705</u>	<u>19,532</u>

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Movement of the Account

	Actual				Revised Estimate	Estimate
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	29	32	34	18	30	30
Revenue	2	4	2	2	3	3
Expenditure	18	16	38	18	19	—
Surplus/(Deficit) before Transfer from GRA	(16)	(12)	(36)	(16)	(16)	3
Transfer from GRA	19	14	20	28	16	17
Surplus/(Deficit) after Transfer from GRA	3	2	(16)	12	—	20
Closing Balance	32	34	18	30	30	50

Revenue Analysis

	Actual				Revised Estimate	Estimate
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	\$m	\$m	\$m	\$m	\$m	\$m
Investment Income	2	3	2	1	3	3
Refund of Grants	—	1	—	1	—	—
Total Revenue	2	4	2	2	3	3

Expenditure Analysis

	Actual				Revised Estimate	Estimate
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	\$m	\$m	\$m	\$m	\$m	\$m
Payments	18	16	38	18	19	—
Total Expenditure	18	16	38	18	19	—

Note: The payment figure for 2006-07 reflects grants actually made as at 31 December 2006. No estimate of payment is made for the remaining part of 2006-07 and 2007-08 as calls on the Fund in relief of disasters cannot be predicted.