

# **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 2009, payments totalling about \$988,492,000 have been made from the Fund since its establishment.

**4** As at 15 January 2010, grants totalling \$85,010,000 have been made in 2009–10. It is estimated that \$21,000,000 will be paid in the remaining part of 2009–10 mainly to cater for requirements arising from relief programmes for earthquake victims in Haiti. No estimate of payment is made for 2010–11 as calls on the Fund in relief of disasters cannot be predicted.

**5** Receipts for 2009–10 and 2010–11 are estimated at \$70,468,000 and \$49,046,000 respectively.

## DISASTER RELIEF FUND

### (Payments)

| Sub-head<br>(Code)              | Actual<br>expenditure<br>2008–09   | Revised<br>estimate<br>2009–10 | Estimate<br>2010–11 |
|---------------------------------|--|--------------------------------|---------------------|
|                                 | \$'000   | \$'000                         | \$'000              |
| <b>Head 800—Disaster Relief</b> |  |                                |                     |
| 217                             | Relief programme for snowstorm victims in Guangxi and Yunnan Provinces, Mainland—grant to The Amity Foundation, Hong Kong, Limited.....                                  | 1,276                          | —                   |
| 218                             | Relief programme for victims affected by the earthquake in Sichuan Province, Mainland—grant to the disaster relief headquarters of the Central People’s Government ..... | 300,000                        | —                   |
| 219                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to The Amity Foundation, Hong Kong, Limited .....  | 3,500                          | —                   |
| 220                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to Hong Kong Red Cross.....  | 7,500                          | —                   |
| 221                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to World Vision Hong Kong .....  | 5,000                          | —                   |
| 222                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to Disaster Relief Command of Yingxiu Town, Wenchuan County .....                            | 528                            | —                   |
| 223                             | Relief programme for earthquake victims in Gansu, Shaanxi and Sichuan Provinces, Mainland—grant to World Vision Hong Kong .....  | 7,000                          | —                   |
| 224                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to Hong Kong and Macao Affairs Office, Sichuan Provincial People’s Government .....          | 3,631                          | —                   |
| 225                             | Relief programme for cyclone victims in Myanmar—grant to World Vision Hong Kong.....   | 5,000                          | —                   |
| 226                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to Hong Kong and Macao Affairs Office, Sichuan Provincial People’s Government .....          | 580                            | —                   |
| 227                             | Relief programme for earthquake victims in Gansu Province, Mainland—grant to Cedar Fund.....   | 708                            | —                   |
| 228                             | Relief programme for earthquake victims in Sichuan and Shaanxi Provinces, Mainland—grant to Oxfam Hong Kong..  | 3,510                          | —                   |
| 229                             | Relief programme for cyclone victims in Myanmar—grant to Cedar Fund .....  | 560                            | —                   |
| 230                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited .....                             | 700                            | —                   |
| 231                             | Relief programme for earthquake victims in Sichuan Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited .....                             | 790                            | —                   |
| 232                             | Relief programme for flood victims in India—grant to World Vision Hong Kong.....   | 2,000                          | —                   |
| 233                             | Relief programme for flood victims in India—grant to Cedar Fund.....   | 787                            | —                   |
| 234                             | Relief programme for flood victims in India—grant to Oxfam Hong Kong .....   | 776                            | —                   |
| 235                             | Relief programme for victims of food crisis in Kenya—grant to World Vision Hong Kong.....  | 2,700                          | —                   |

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### (Payments)

| Sub-head<br>(Code)   | Actual<br>expenditure<br>2008–09 | Revised<br>estimate<br>2009–10 | Estimate<br>2010–11 |
|--|----------------------------------|--------------------------------|---------------------|
|  | \$'000                           | \$'000                         | \$'000              |
| <b>Head 800—Disaster Relief—Cont'd.</b>  |                                  |                                |                     |
| 236  |                                  |                                |                     |
| Relief programme for cyclone victims in Bangladesh—grant to Oxfam Hong Kong .....  | —                                | 1,000                          | —                   |
| 237  |                                  |                                |                     |
| Relief programme for cyclone victims in India—grant to Oxfam Hong Kong .....   | —                                | 1,300                          | —                   |
| 238  |                                  |                                |                     |
| Relief programme for cyclone victims in Bangladesh—grant to World Vision Hong Kong .....   | —                                | 1,500                          | —                   |
| 239  |                                  |                                |                     |
| Relief programme for cyclone victims in India—grant to World Vision Hong Kong .....  | —                                | 1,500                          | —                   |
| 240  |                                  |                                |                     |
| Relief programme for flood victims in Guangxi, Guizhou and Hunan Provinces, Mainland—grant to The Amity Foundation, Hong Kong, Limited ..... | —                                | 3,670                          | —                   |
| 241  |                                  |                                |                     |
| Relief programme for earthquake victims in Yunnan Province, Mainland—grant to the The Amity Foundation, Hong Kong, Limited .....             | —                                | 2,090                          | —                   |
| 242  |                                  |                                |                     |
| Relief programme for flood victims in Hunan Province, Mainland—grant to The Association of Chinese Evangelical Ministry Limited.....         | —                                | 920                            | —                   |
| 243  |                                  |                                |                     |
| Relief programme for flood victims in Guangxi and Jiangxi Provinces, Mainland—grant to World Vision Hong Kong .....                          | —                                | 2,500                          | —                   |
| 244  |                                  |                                |                     |
| Relief programme for typhoon victims in Taiwan—grant to the Taiwanese Authorities .....  | —                                | 50,000                         | —                   |
| 245  |                                  |                                |                     |
| Relief programme for typhoon victims in Taiwan—grant to World Vision Hong Kong .....   | —                                | 5,000                          | —                   |
| 246  |                                  |                                |                     |
| Relief programme for typhoon victims in the Philippines—grant to The Salvation Army .....  | —                                | 4,800                          | —                   |
| 247  |                                  |                                |                     |
| Relief programme for typhoon victims in the Philippines—grant to World Vision Hong Kong .....  | —                                | 2,000                          | —                   |
| 248  |                                  |                                |                     |
| Relief programme for earthquake victims in Indonesia—grant to World Vision Hong Kong .....   | —                                | 4,000                          | —                   |
| 249  |                                  |                                |                     |
| Relief programme for typhoon victims in the Philippines—grant to The Amity Foundation, Hong Kong, Limited.....                               | —                                | 520                            | —                   |
| 250  |                                  |                                |                     |
| Relief programme for typhoon victims in the Philippines—grant to Oxfam Hong Kong.....  | —                                | 2,800                          | —                   |
| 251  |                                  |                                |                     |
| Relief programme for earthquake victims in Indonesia—grant to Cedar Fund.....  | —                                | 1,410                          | —                   |
| <b>Additional Commitments†</b>   | —                                | 21,000                         | —                   |
| <i>Head 800: total</i> .....   | 346,546                          | 106,010                        | —                   |
| <b>Total (Payments)</b> .....  | <u>346,546</u>                   | <u>106,010</u>                 | <u>—</u>            |

† Mainly to cater for requirements arising from relief programmes for earthquake victims in Haiti.

**DISASTER RELIEF FUND**

**(Receipts)**

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|                                    | Revised<br>estimate<br>2009-10 | Estimate<br>2010-11  |
|------------------------------------|--------------------------------|----------------------|
|                                    | <u>\$'000</u>                  | <u>\$'000</u>        |
| Investment income.....             | 2,198                          | <b>2,000</b>         |
| Refund of grants.....              | 9,070                          | <b>46</b>            |
| Transfer from General Revenue..... | 59,200                         | <b>47,000</b>        |
| <b>Total (Receipts).....</b>       | <u>70,468</u>                  | <u><b>49,046</b></u> |

## DISASTER RELIEF FUND

### Movement of the Account

|  | Actual  |         |         |         | Revised Estimate | Estimate |
|--|---------|---------|---------|---------|------------------|----------|
|  | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10          | 2010-11  |
|  | \$m     | \$m     | \$m     | \$m     | \$m              | \$m      |
| Opening Balance                            | 18      | 30      | 30      | 28      | 36               | 1        |
| Revenue                                    | 2       | 3       | 3       | 5       | 12               | 2        |
| Expenditure                                | 18      | 19      | 272     | 347     | 106              | —        |
| Surplus/(Deficit) before Transfer from GRA | (16)    | (16)    | (269)   | (342)   | (94)             | 2        |
| Transfer from GRA                          | 28      | 16      | 267     | 350     | 59               | 47       |
| Surplus/(Deficit) after Transfer from GRA  | 12      | —       | (2)     | 8       | (35)             | 49       |
| Closing Balance                            | 30      | 30      | 28      | 36      | 1                | 50       |

### Revenue Analysis

|                      | Actual  |         |         |         | Revised Estimate | Estimate |
|----------------------|---------|---------|---------|---------|------------------|----------|
|                      | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10          | 2010-11  |
|                      | \$m     | \$m     | \$m     | \$m     | \$m              | \$m      |
| Investment Income    | 1       | 3       | 2       | 3       | 3                | 2        |
| Refund of Grants     | 1       | —       | 1       | 2       | 9                | —        |
| <b>Total Revenue</b> | 2       | 3       | 3       | 5       | 12               | 2        |

### Expenditure Analysis

|                          | Actual  |         |         |         | Revised Estimate | Estimate |
|--------------------------|---------|---------|---------|---------|------------------|----------|
|                          | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10          | 2010-11  |
|                          | \$m     | \$m     | \$m     | \$m     | \$m              | \$m      |
| Payments                 | 18      | 19      | 272     | 347     | 106              | —        |
| <b>Total Expenditure</b> | 18      | 19      | 272     | 347     | 106              | —        |

*Note:* The 2009-10 Revised Estimates on payments reflects grants of \$85 million made as at 15 January 2010 plus additional commitments of \$21 million mainly to cater for requirements arising from relief programmes for earthquake victims in Haiti. No estimate of payment is made for 2010-11 as calls on the Fund in relief of disasters cannot be predicted.