

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 2015, payments totalling about \$1,751,147,000 have been made from the Fund since its establishment.

4 As at 31 January 2016, grants totalling \$82,147,000 have been made in 2015–16. No estimate of payment is made for the remaining part of 2015–16 and 2016–17 as calls on the Fund in relief of disasters cannot be predicted.

5 Receipts for 2015–16 and 2016–17 are estimated at \$80,470,000 and \$66 million respectively.

DISASTER RELIEF FUND

(Payments)

Sub-head (Code)	Actual expenditure 2014–15	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000
Head 800—Disaster Relief			
357	Relief programme for flood victims in Bosnia and Herzegovina—grant to World Vision Hong Kong	1,909	—
358	Relief programme for flood victims in Guangxi Zhuang Autonomous Region and Hunan Province, Mainland—grant to Amity Foundation, Hong Kong	5,144	—
359	Relief programme for flood victims in Bosnia and Herzegovina, and Serbia—grant to Oxfam Hong Kong	2,225	—
360	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to Amity Foundation, Hong Kong	6,317	—
361	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to World Vision Hong Kong	3,070	—
362	Relief programme for flood victims in Guizhou Province, Mainland—grant to Oxfam Hong Kong	1,015	—
363	Relief programme for flood victims in Hunan, Guizhou and Guangxi Provinces, Mainland—grant to World Vision Hong Kong	4,500	—
364	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to Save the Children Hong Kong Limited...	4,000	—
365	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to The Salvation Army	3,676	—
366	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to Oxfam Hong Kong	5,610	—
367	Relief programme for earthquake victims in Yunnan Province, Mainland—grant to CSDCU Education Fund	395	—
368	Relief programme for flood victims in Jammu and Kashmir, India—grant to Save the Children Hong Kong Limited	1,914	—
369	Relief programme for flood victims in Jammu and Kashmir, India—grant to CEDAR Fund	2,889	—
370	Relief programme for flood victims in Jammu and Kashmir, India—grant to World Vision Hong Kong	2,000	—
371	Relief programme for flood victims in Malawi—grant to World Vision Hong Kong	2,500	—
372	Relief programme for cyclone victims in Vanuatu—grant to Save the Children Hong Kong Limited	—	3,920
373	Relief programme for earthquake victims in Nepal—grant to the Government of Nepal	—	50,000
374	Relief programme for earthquake victims in Nepal—grant to World Vision Hong Kong	—	7,000
375	Relief programme for earthquake victims in Nepal—grant to Habitat for Humanity Hong Kong Limited	—	3,499

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(Payments)

Sub-head (Code)	Actual expenditure 2014–15	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000
Head 800—Disaster Relief—Cont'd.			
376			
Relief programme for earthquake victims in Nepal—grant to Amity Foundation, Hong Kong.....	—	5,846	—
377			
Relief programme for earthquake victims in Nepal—grant to Plan International Hong Kong Limited	—	429	—
378			
Relief programme for flood victims in Myanmar—grant to World Vision Hong Kong	—	2,430	—
379			
Relief programme for flood victims in India—grant to World Vision Hong Kong.....	—	3,000	—
380			
Relief programme for earthquake victims in Pakistan—grant to World Vision Hong Kong	—	2,930	—
381			
Relief programme for flood victims in Tamil Nadu, India—grant to Oxfam Hong Kong.....	—	3,093	—
	<u>47,164</u>	<u>82,147</u>	<u>—</u>
<i>Head 800: total</i>			
	<u>47,164</u>	<u>82,147</u>	<u>—</u>
Total (Payments)	<u><u>47,164</u></u>	<u><u>82,147</u></u>	<u><u>—</u></u>

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(Receipts)

	Actual receipts 2014–15	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000
Investment income	—*	—*	2,000
Refund of grants	2,520	470	—
Transfer from General Revenue	29,000	80,000	64,000
Total (Receipts)	31,520	80,470	66,000

* The investment incomes for 2014–15 and 2015–16 on the balance of the Disaster Relief Fund placed with the Exchange Fund are \$1,059,000 and \$1,260,000 respectively. These, along with the investment income on other parts of the fiscal reserves, have been set aside and retained within the Exchange Fund for the Housing Reserve.

DISASTER RELIEF FUND

Movement of the Account

	Actual				Revised Estimate	Estimate
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	35	7	6	31	15	14
Revenue	9	1	3	2	1	2
Expenditure	37	54	171	47	82	—
Surplus/(Deficit) before Transfer from GRA	(28)	(53)	(168)	(45)	(81)	2
Transfer from GRA	—	52	193	29	80	64
Surplus/(Deficit) after Transfer from GRA	(28)	(1)	25	(16)	(1)	66
Closing Balance	7	6	31	15	14	80

Revenue Analysis

	Actual				Revised Estimate	Estimate
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
	\$m	\$m	\$m	\$m	\$m	\$m
Investment Income	2	1	1	—*	—*	2
Refund of Grants	7	—#	2	2	1	—
Donations	—	—	—#	—	—	—
Total Revenue	9	1	3	2	1	2

Figures less than \$1 million are not reflected here.

* The investment incomes for 2014-15 and 2015-16 on the balance of the Disaster Relief Fund placed with the Exchange Fund are \$1,059,000 and \$1,260,000 respectively. These, along with the investment income on other parts of the fiscal reserves, have been set aside and retained within the Exchange Fund for the Housing Reserve.

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Expenditure Analysis

	Actual				Revised Estimate	Estimate
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
	\$m	\$m	\$m	\$m	\$m	\$m
Payments	37	54	171	47	82	—
Total Expenditure	37	54	171	47	82	—

Note: The 2015-16 Revised Estimate on payments reflects grants made as at 31 January 2016. No estimate of payment is made for the remaining part of 2015-16 and 2016-17 as calls on the Fund in relief of disasters cannot be predicted.