

Head 96 — GOVERNMENT SECRETARIAT: OVERSEAS ECONOMIC AND TRADE OFFICES

Controlling officer: the Permanent Secretary for Commerce and Economic Development will account for expenditure under this Head.

Estimate 2023–24 **\$596.2m**

Establishment ceiling 2023–24 (notional annual mid-point salary value) representing an estimated 205 non-directorate posts as at 31 March 2023 and as at 31 March 2024..... **\$136.2m**

In addition, there will be an estimated 23 directorate posts as at 31 March 2023 and as at 31 March 2024.

Controlling Officer's Report

Programmes

Programme (1) Commercial Relations
Programme (2) Public Relations
Programme (3) Investment Promotion

These programmes contribute to Policy Area 6: Commerce and Industry (Secretary for Commerce and Economic Development).

Detail

Programme (1): Commercial Relations

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	176.8	275.9	208.6 (–24.4%)	281.2 (+34.8%)
				(or +1.9% on 2022–23 Original)

Aim

- 2 The aim is to represent and promote Hong Kong's trading and commercial interests outside Hong Kong.

Brief Description

3 The overseas Economic and Trade Offices (ETOs) in Bangkok, Berlin, Brussels, Dubai, Geneva, Jakarta, London, New York, San Francisco, Singapore, Sydney, Tokyo, Toronto and Washington D.C. identify, develop and cultivate contacts with host governments, represent Hong Kong at international trade organisations, and maintain liaison with other governments and organisations in order to further Hong Kong's trade and economic interests. They monitor and report on developments which are likely to affect such interests, discuss with their host and other governments specific trade and economic issues, assist officers from Hong Kong in negotiating trade agreements, and promote the business opportunities arising from the Mainland and Hong Kong Closer Economic Partnership Arrangement, Hong Kong's participation in the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area development.

- 4 The key performance measures in respect of commercial relations are:

Indicators

	2021 (Actual)#	2022 (Actual)#	2023 (Estimate)#
meetings on trade-related matters attended.....	2 584	2 755	3 230
visits to host governments and trade organisations.....	780	938	1 133
seminars, exhibitions and workshops			
organised	209	257	336
participated.....	888	932	1 145
public speeches given.....	263	332	431
media interviews/briefings given	278	312	486
circulars/newsletters/press releases issued.....	2 290	2 297	2 621

Figures also cover events in virtual form.

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Matters Requiring Special Attention in 2023–24

5 During 2023–24, the overseas ETOs will continue to promote Hong Kong’s trade and commercial interests, including countering protectionism in Hong Kong’s major markets, as well as representing Hong Kong and providing support to the Commerce and Economic Development Bureau and, as appropriate, other bureaux and departments on issues of special interests on the bilateral, plurilateral and multilateral fronts. The Dedicated Teams for Attracting Businesses and Talents set up under the ETOs will continue to provide support to the Office for Attracting Strategic Enterprises and Talents Service Unit.

Programme (2): Public Relations

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	131.9	212.8	159.4 (–25.1%)	214.0 (+34.3%)
				(or +0.6% on 2022–23 Original)

Aim

6 The aim is to promote Hong Kong as a reliable trading partner and a premier location for doing business.

Brief Description

7 The overseas ETOs monitor and report on reactions to events in Hong Kong. They update overseas interlocutors on developments in Hong Kong, organise publicity and public relations activities for Hong Kong in the host countries or regions under their purview, liaise with Hong Kong enterprises and people, and provide a comprehensive information and enquiry service about Hong Kong.

8 The key performance measures in respect of public relations are:

Indicators

	2021 (Actual)#	2022 (Actual)#	2023 (Estimate)#
call on senior government officials/organisations.....	916	1 201	1 253
public relations functions/events (including cultural functions/events)Ψ			
organised	512	637	790
participated.....	1 074	1 236	1 433
newsletters, pamphlets, press releases issued	2 384	2 341	2 660
no. of visitors assisted	1 095	1 570	1 719
public speeches given.....	309	406	489
media interviews/briefings given	293	323	490
enquiries handled	13 676	13 102	13 331

Figures also cover events in virtual form.

Ψ Revised description of the previous indicator “public relations functions/events” as from 2022.

Matters Requiring Special Attention in 2023–24

9 During 2023–24, the overseas ETOs will continue to step up publicity and public relations efforts and launch promotional campaigns to enhance Hong Kong’s international image, and strengthen collaboration with other Hong Kong overseas agencies in developing strategies for city branding and publicity.

Programme (3): Investment Promotion

	2021–22 (Actual)	2022–23 (Original)	2022–23 (Revised)	2023–24 (Estimate)
Financial provision (\$m)	63.0	96.5	75.6 (–21.7%)	101.0 (+33.6%)
				(or +4.7% on 2022–23 Original)

Aim

10 The aim is to attract foreign direct investment to Hong Kong and to promote Hong Kong’s many advantages as a regional hub and the preferred business location in Asia.

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Brief Description

11 In close collaboration with Invest Hong Kong, the overseas ETOs promote the attractiveness of Hong Kong as an international financial and business centre and provide assistance and support to overseas companies to establish or expand operations in Hong Kong.

12 The key performance measures in respect of investment promotion are:

Indicators

	2021 (Actual)	2022 (Actual)	2023 (Estimate)
new projects generated ^λ	267	220	378
projects completed [¶]	131 [‡]	91 [‡]	189

^λ New projects with the potential of becoming completed projects in the coming 18 months. The figure reflects the investment promotion efforts in a particular year, discounting projects carried forward from previous years.

[¶] Investment projects each resulting in an overseas company setting up or undergoing a significant expansion in Hong Kong with the assistance of Invest Hong Kong.

[‡] Owing to the pandemic and the related travel restrictions, many foreign companies have put on hold their international expansion plans, hence the drop in the number of completed projects.

Matters Requiring Special Attention in 2023–24

13 During 2023–24, the overseas ETOs (except the Geneva and Washington ETOs) and their Dedicated Teams for Attracting Businesses and Talents will work closely with Invest Hong Kong and the Office for Attracting Strategic Enterprises to step up their efforts in attracting overseas companies, especially strategic enterprises, to set up and expand their operations in Hong Kong and access opportunities in the Mainland and elsewhere in Asia.

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ANALYSIS OF FINANCIAL PROVISION

	2021–22 (Actual) (\$m)	2022–23 (Original) (\$m)	2022–23 (Revised) (\$m)	2023–24 (Estimate) (\$m)
Programme				
(1) Commercial Relations	176.8	275.9	208.6	281.2
(2) Public Relations	131.9	212.8	159.4	214.0
(3) Investment Promotion.....	63.0	96.5	75.6	101.0
	371.7	585.2	443.6 (–24.2%)	596.2 (+34.4%)
				(or +1.9% on 2022–23 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2023–24 is \$72.6 million (34.8%) higher than the revised estimate for 2022–23. This is mainly due to the increased provision for the new ETOs planned to be set up, increased salary provision for filling vacancies and staff changes, and increased operating expenses.

Programme (2)

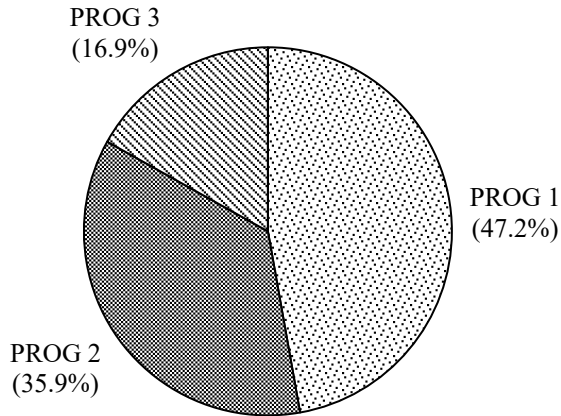
Provision for 2023–24 is \$54.6 million (34.3%) higher than the revised estimate for 2022–23. The reasons for the increase under Programme (1) above also apply here.

Programme (3)

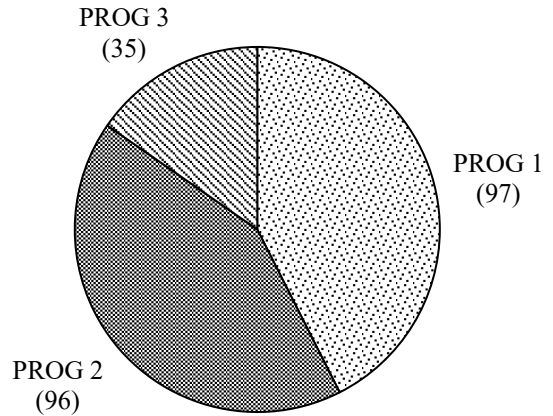
Provision for 2023–24 is \$25.4 million (33.6%) higher than the revised estimate for 2022–23. The reasons for the increase under Programme (1) above also apply here.

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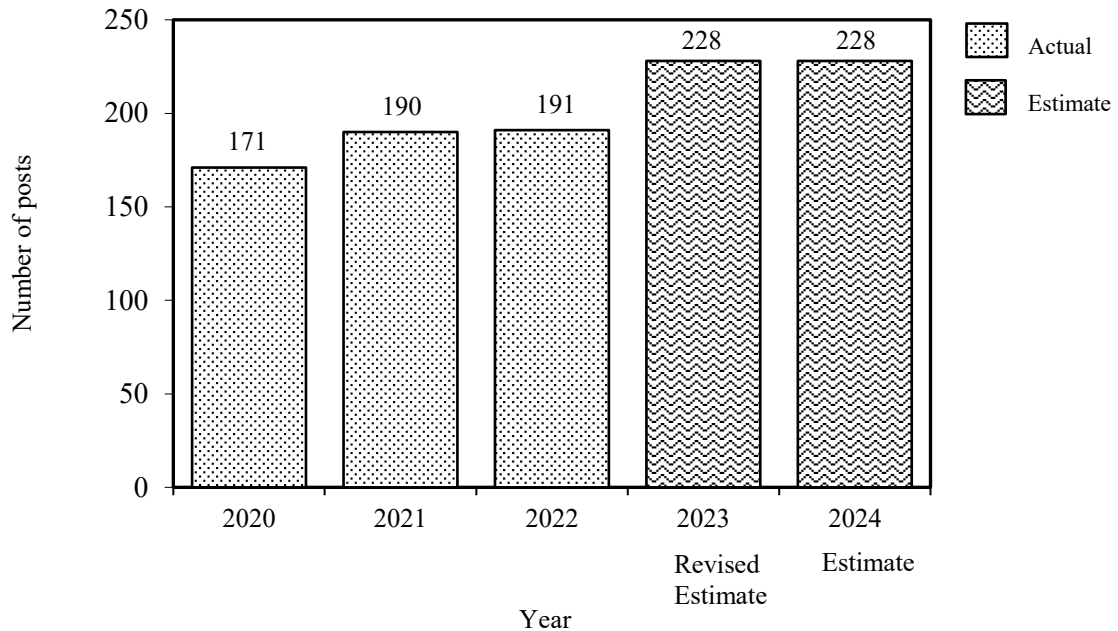
*Allocation of provision
to programmes
(2023-24)*



*Staff by programme
(as at 31 March 2024)*



*Changes in the size of the establishment
(as at 31 March)*



**Head 96 — GOVERNMENT SECRETARIAT:
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Sub-head (Code)	Actual expenditure 2021–22	Approved estimate 2022–23	Revised estimate 2022–23	Estimate 2023–24	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	371,724	585,170	442,914	595,607
	Total, Recurrent.....	371,724	585,170	442,914	595,607
	Total, Operating Account	371,724	585,170	442,914	595,607
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	—	—	687	567
	Total, Plant, Equipment and Works.....	—	—	687	567
	Total, Capital Account.....	—	—	687	567
	Total Expenditure	371,724	585,170	443,601	596,174

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Details of Expenditure by Subhead

The estimate of the amount required in 2023–24 for the salaries and expenses of the overseas Economic and Trade Offices (ETOs) is \$596,174,000. This represents an increase of \$152,573,000 over the revised estimate for 2022–23 and \$224,450,000 over the actual expenditure in 2021–22.

Operating Account

Recurrent

2 It is operationally necessary for the overseas ETOs to make certain payments in the currencies of their host economies. Expenditure in the following currencies will be charged to the appropriate subheads at the exchange rates set out below —

Australian Dollar	1=HK\$5.46416
Canadian Dollar	1=HK\$5.73000
Euro	1=HK\$8.36997
Japanese Yen	1=HK\$0.061843
Pound Sterling	1=HK\$9.36900
Singapore Dollar	1=HK\$5.82594
Swiss Franc	1=HK\$8.45855

Expenditure incurred in the US Dollar will be charged to the appropriate subheads at a fixed exchange rate of US\$1=HK\$7.8.

3 Provision of \$595,607,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the overseas ETOs. The increase of \$152,693,000 (34.5%) over the revised estimate for 2022–23 is mainly due to the increased provision for setting up new ETOs, the increased salary provision arising from filling of vacancies, staff changes and salary increment, as well as increased operating expenses.

4 The establishment as at 31 March 2023 will be 228 posts. No change in establishment is expected in 2023–24. Of these posts, 152 are filled by staff engaged locally by the overseas ETOs. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2023–24, but the notional annual mid-point salary value of all such posts must not exceed \$136,221,000.

5 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2021–22 (Actual) (\$'000)	2022–23 (Original) (\$'000)	2022–23 (Revised) (\$'000)	2023–24 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	154,787	223,514	152,753	224,706
- Allowances	39,111	50,704	40,392	56,904
Personnel Related Expenses				
- Civil Service Provident Fund contribution	8,606	12,546	8,215	15,335
- Disturbance allowance.....	2,550	5,831	4,102	8,039
Departmental Expenses				
- General departmental expenses	120,929	165,496	128,890	160,772
Other Charges				
- Publicity.....	45,741	127,079	108,562	129,851
	371,724	585,170	442,914	595,607

Capital Account

Plant, Equipment and Works

6 Provision of \$567,000 under Subhead 661 Minor plant, vehicles and equipment (block vote) is for the procurement of minor plant, vehicles and equipment with the cost of individual items above \$200,000 but not exceeding \$10 million. The decrease of \$120,000 (17.5%) against the revised estimate for 2022–23 is due to the estimated lower cost required for purchasing an office car.