

## 廉 政 公 署

## INDEPENDENT COMMISSION AGAINST CORRUPTION

**ICAC** 廉政專員

Commissioner, ICAC

Our Ref: CPD/ASM/TOC/2010/036

Your Ref : CB(4)/PAC/R62

20 May 2014

Miss Mary So Clerk Public Accounts Committee Legislative Council Legislative Council Complex 1 Legislative Council Road, Central Hong Kong

Dear Miss So.

## Public Accounts Committee Consideration of Chapter 3 of the Director of Audit's Report No. 62 Mega Events Fund

I refer to your letter of 19 May 2014.

Our suggested changes to paragraph 1.11 of the draft Chapter 3 of the captioned report are as follows:

"After presenting the assignment report to its Corruption Prevention Advisory Committee, the ICAC further recommended that the TC should issue more stringent guidelines for its staff in evaluating events that involved substantial grants and carried a commercial name. Furthermore, the ICAC also raised the concern with the need for continuing the MEF which ....."

The draft version of the Audit Report is attached for your easy reference.

The reason for our suggestions is that it is not the ICAC usual practice to quote whether and which individual recommendations of our assignment reports are made by CPAC members when making the issue known publicly. As the advice from CPAC on the draft report is an integral process of completing and endorsing our assignment studies, it is unnecessary to differentiate recommendations made by CPAC members from other recommendations in the report.

Yours sinterely,

(Simon YL Peh)

Commissioner

Independent Commission Against Corruption

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1.1 1 After conducting the 2010 review, the ICAC also drew the TC's attention to the comments made by members of its Corruption Prevention Advisory Committee. Members of the ICAC Advisory Committee recommended that the TC should issue more stringent guidelines for its staff in evaluating events that involved substantial grants and carried a commercial name. Furthermore, the members were concerned with the need for continuing the MEF which was set up at a time of financial difficulties and, in view of the changed economic situation, suggested that the TC should consider returning the unused funds (i.e. the balance of the time-limited MEF of \$100 million — see para. 1.2) to the Government. As it transpired, the MEF had continued to operate and in April 2012, the TC/CEDB introduced a modified two-tier MEF which comprised a new category called Tier 1 with Tier 2 which is essentially a revised version of the original scheme operated by the MEF (see paras. 1.3 and 2.4).