

# LCQ11: Issues relating to vetting and approval of applications for Anti-epidemic Fund

Following is a question by the Hon Shiu Ka-fai and a written reply by the Financial Secretary, Mr Paul Chan, in the Legislative Council today (May 11):

Question:

The Government announced respectively in January and February this year the introduction of measures for the fifth and sixth rounds of the Anti-epidemic Fund (AEF), and indicated that relevant measures would be implemented as early as possible. However, quite a number of businesses and members of the public have sought my assistance, saying that they have submitted their applications for quite some time but so far received no news at all. In this connection, will the Government inform this Council:

- (1) of the dates on which, and the total number of days for which, the various types of scheduled premises suspended operation pursuant to the requirements of the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F) since the outbreak of the first wave of the epidemic;
- (2) of the respective numbers of applications for the aforesaid two rounds of measures received, approved and rejected by the Government to date, as well as the number of appeal cases now being processed, together with a breakdown by measure; the main reasons why the vetting and approval as well as the disbursement of funds are not completed;
- (3) as it is learnt that quite a number of applicants have called the relevant enquiry hotlines to enquire about issues relating to the vetting and approval of applications but cannot receive specific responses, whether the Government has received complaints about the enquiry hotlines; if so, whether it has assessed if such hotlines can effectively provide assistance to enquirers; if it has assessed and the outcome is in the affirmative, of the details; if the assessment outcome is in the negative, whether it will make improvements;
- (4) when vetting and approving the applications submitted for the aforesaid two rounds of measures, whether it has found any suspected cases of fraud or abuse; if so, of a breakdown by measure, and whether it has assessed if such cases will affect the progress of the vetting and approval processes;
- (5) whether it has assessed if supervisory efforts have been affected during the period when the post of the Chief Secretary for Administration is left vacant, rendering the relevant government departments having to take longer

time to vet and approve applications; if it has assessed and the outcome is in the negative, of the reasons for that; and

(6) whether it has taken measures to expedite the progress of the vetting and approval of applications as well as the disbursement of funds; if so, of the details; if not, the reasons for that?

Reply:

President,

To combat the fifth-wave of the COVID-19 pandemic, the Government has implemented a series of social distancing measures and measures to tighten requirements on group gatherings by phases. These measures included imposing restrictions upon and suspending the operation of scheduled premises under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F). To support these scheduled premises affected by the fifth-wave of the pandemic, the Government introduced the fifth and the sixth rounds of Anti-epidemic Fund (AEF) measures.

In response to the various parts of the question, on behalf of the Chief Secretary for Administration's Office, my reply is as follows:

(1) Since the beginning of the pandemic, the dates on which and the total number of days for which the various types of scheduled premises are required to suspend operation are set out in Annex 1.

(2) The Government introduced 11 and 13 measures respectively under the fifth and the sixth rounds of AEF to support business premises directly affected by the tightening of the social distancing measures. The progress of the relevant measures introduced under the two rounds of AEF are respectively set out in Annex 2 and Annex 3. As at April 29, under the fifth and the sixth rounds of AEF, eight and six measures had completed respectively, with three and seven measures remained ongoing.

(3) The relevant implementation departments and units of the following measures under the fifth and the sixth rounds of AEF have set up enquiry hotlines:

| Fifth-round AEF   | Sixth-round AEF   |
|---|---|
| 1. Catering Business Subsidy Scheme<br>2. Commercial Bathhouse Licence Holder Subsidy Scheme<br>3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms | 1. Catering Business Subsidy Scheme<br>2. Commercial Bathhouse Licence Holder Subsidy Scheme<br>3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms<br>4. Subsidy Scheme for Hair Salons and Barber Shops |

Relevant implementation departments and units of these measures did not receive complaint from the public towards their enquiry hotline services.

(4) Given that some measures remained ongoing, it is difficult for the relevant implementation departments and units to estimate the number of applications for AEF measures involving fraud or abuse at this juncture. If an applicant is found to have willfully submitted false, misrepresented or misleading documents and information at the vetting, appeal or review stage, the implementation departments and units would refer such cases to the Police for follow up. For example, the implementation department and unit of the Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms are further verifying the information provided by nearly 1 000 applications of such nature, so as to determine the follow-up actions to be taken. The circumstances of these applications include multiple applications submitted in respect of the same premise, suspicious business nature, non-existence of the relevant businesses before the designated date of the measure as stipulated under the measure, premises not operating the business as claimed, same shop photo(s) submitted in applications involving different premises, and shop photo(s) submitted not matching the address as claimed. In view of the not insignificant number of these kinds of applications, as well as the additional manpower and procedures required for handling these applications, the overall progress of application processing would inevitably be affected to a certain extent.

(5) All measures under the fifth and the sixth rounds of AEF were approved by the AEF Steering Committee (SC) chaired by the Chief Secretary for Administration (CS). Relevant implementation departments and units are required to implement the measures in accordance with the criteria and details approved. The vacancy of the office of CS would not affect the vetting and approval of applications for AEF measures. To continuously monitor the progress of AEF measures, the Secretariat of the SC regularly invites departments and units to submit progress report on the measures. The Directors of relevant bureaux are also responsible to supervise the smooth implementation of measures under their purview. In addition, the Government also submits quarterly report to the Legislative Council to report on the latest progress of various measures.

(6) In introducing the fifth and the sixth rounds of AEF measures, the Chief Executive had already requested the implementation departments to simplify the vetting procedures to the extent possible, with a view to disbursing the subsidies as soon as possible. In this regard, relevant departments adopted different arrangements to facilitate and expedite the processing of applications in implementing AEF measures, including minimising the documentary proof required as well as information to be filled and verified for application to the extent possible, and to prioritise the processing of successful applications under previous rounds of AEF. In addition, in implementing the sixth-round AEF, individual measure disbursed both subsidies under the fifth and the sixth rounds of AEF in one go based on the application information submitted for the fifth-round AEF, and did not require separate applications to be filed for the subsidy under the sixth-

round AEF.