

POLICE GENERAL ORDERS

CHAPTER 51

INVESTMENTS

19/01

General Principles

- (a) This chapter should be read in conjunction with Civil Service Regulations paragraph 461-466, Civil Service Bureau Circular No. 8/2006 and CSB Circular Memorandum No. 14/2008. The relevant declaration forms included in the above CSB Circular Memorandum should be used. 08/12
- (b) A police officer is free to make any private investments subject to the provisions of the Civil Service Regulations, associated circulars, circular memoranda published by the Secretary for the Civil Service, and any orders or instructions issued by the Commissioner. He/She must take due care to avoid taking investment risks beyond his/her financial means. 04/14
- (c) A police officer is required to uphold the honesty and impartiality of the Force and of the civil service, and to observe an exemplary standard of personal integrity in making private investments.
- (d) A police officer must not use confidential or unpublished information obtained in his/her official capacity to profit financially. He/She must not disclose to anyone who does not have an official need to know such information from which he/she and others can profit financially. 04/14

Definitions

'Conflict of interest', in the context of this chapter, refers to a conflict of interest between an officer's official duties and his/her investments, including acquisitions and disposals, if he/she could profit financially as a result of the information obtained in his/her official capacity. 04/14

'Investment' means any investment, shareholding or direct or indirect interest in any company or undertaking (including company directorship), and any interest in land or buildings (including self-occupied property) in Hong Kong and/or in places outside Hong Kong. This

- (a) includes but is not limited to -
- (i) securities listed on the Stock Exchange of Hong Kong;
 - (ii) futures and options contracts and other products traded on the Hong Kong Futures Exchange;
 - (iii) Tracker Fund of Hong Kong; and

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- (iv) The Link Real Estate Investment Trust; and
 - (v) any investment listed above which belongs to an officer but is held in the name of his/her spouse or of any other person or agent or company acting on his/her behalf,
- (b) but, subject to CSR 464 (a), excludes -
- (i) unit trusts, mutual funds and life insurance policies;
 - (ii) bank deposits (irrespective of currencies) and currency transactions;
 - (iii) government bills and notes and multilateral agency debt instruments; and
 - (iv) any investment held by an officer as a trustee or for charitable purposes where the officer has no beneficiary interest.

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51-01 Declaration of Investments

04/14 Subject to the provisions of this chapter and unless otherwise directed, a police officer is not required to declare his/her private investments to the Commissioner.

2. Certain posts are classified as Tier I or Tier II posts according to their risk of exposure to potential conflict of interest situations. Tier I posts are centrally designated and consist of 25 key posts in the Government of the HKSAR, including the post of the Commissioner of Police which is the only Tier I post in the Force. Tier II posts in the Force include the administrative assistants and personal secretaries in support of the Commissioner; all non-Tier I directorate posts; and non-directorate posts designated by the Commissioner.

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3. In general, the reporting requirements for officers holding Tier II posts are as follows:
- (a) On appointment to a Tier II post, declare within 14 days any "investments" defined under CSR 463(1) and the occupation of their spouse;
 - (b) Thereafter a biennial return on 31st October on alternate years;
 - (c) Between the biennial declarations, report within seven days any single investment transaction equivalent to or exceeding HK\$200,000 or three months' salary in value, whichever is the less; and
 - (d) When acting in a Tier II post for or exceeding 30 days.

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4. Declarations from SACPs are to be submitted in GF 389(I)&(II) forms direct to DCP MAN. All other Tier II officers up to the rank of ACP are to submit their declarations, using the same forms, to DCP MAN through DPT. The declaration requirement should be included in the handover reports of non-directorate designated Tier II officers to remind their successors of the requirement. 08/12
5. A directorate officer who has proceeded on final leave (e.g. pre-retirement leave), remains subject to the declaration requirements until he/she has left the service.
6. A non-directorate officer in a Tier II post is no longer subject to the declaration requirements after proceeding on final leave. However, he/she should continue to observe any guidelines on declaration or avoidance of certain investment activities until he/she has left the service.

51-02 Conflict of Interest with Private Investments

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A police officer shall not acquire any investment which could lead to a real or apparent conflict of interest with his/her official duties. Officers shall keep themselves abreast of the Civil Service Regulations, supplemented by CSB circulars and circular memoranda that are issued from time to time which may be relevant on this subject. In case of doubt, officers shall, before making any investment which may be in conflict with their duties, report in writing to ACP P (Attn. SP D) forthwith and seek instructions on whether such investments should be avoided or declared.

2. A police officer must report to his/her Formation Commander if he/she is called upon to deal with any matter which affects his/her investments or those of his/her spouse or a dependent person, or those of an individual or company acting on his/her behalf. Another officer shall normally be assigned to deal with the matter. In case of doubt, the Formation Commander shall refer the matter to ACP P (Attn. SP D) for advice and guidance.
3. A police officer shall report to the Commissioner (ACP P) if he/she makes any investment or undertakes business activity with members of public or private bodies, including the Legislative Council or District Councils of the HKSAR, with which he/she has official dealings.
4. A police officer who, in the opinion of the Commissioner, possesses an investment which is, or may be, a conflict of interest may be required to divest himself/herself of any or some of the investments, refrain from acquiring or disposing of the investments or place the investments in a blind trust.
5. A police officer who contravenes any of the provisions of this chapter may, in addition to being required to divest himself/herself of investments, be liable to disciplinary proceedings.
6. All officers are strongly reminded that they should at all times make a conscious effort to avoid or declare, as appropriate, any conflict that may arise or has arisen. Failure to do so may render an officer liable to disciplinary action.

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7. If it later appears that an officer has dealt with any matter without declaring his/her interest, the burden of proof in any disciplinary proceedings will be on the officer to show that he/she had no personal knowledge of such investment.

26/03 8. A serving police officer whose spouse or dependent has or acquires an interest in the entertainment business shall declare this interest in writing to the Commissioner (ACP P) forthwith. If he/she is in any doubt as to what constitutes an interest in the entertainment business, he/she shall report in writing to ACP P (Attn: SP D) forthwith and seek guidance. An entertainment business includes, but is not confined to, a business/premise regulated under the following pieces of legislation:

- (a) Dutiable Commodities Ordinance, Cap.109
- (b) Miscellaneous Licences Ordinance, Cap.114
- (c) Public Health and Municipal Services Ordinance, Cap.132
- (d) Places of Amusement Regulation, Cap.132 sub. leg. BA
- (e) Gambling Ordinance, Cap.148
- (f) Societies Ordinance, Cap.151
- (g) Places of Public Entertainment Ordinance, Cap.172

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- (h) Firearms and Ammunition Ordinance, Cap.238
- (i) Massage Establishments Ordinance, Cap.266
- (j) Clubs (Safety of Premises) Ordinance, Cap.376

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- (k) Amusement Game Centres Ordinance, Cap.435

26/03 **51-03 Owning or Controlling Public Transport**

A serving police officer is prohibited from owning or controlling any form of public transport which, for the purposes of this Order, includes a public or private bus or light bus, a taxi, and a private car in respect of which a hire car permit is in force without the consent of the Commissioner.

04/14 2. If a serving police officer, his/her spouse or a dependent has acquired a commercial interest in any form of public transport (excluding shares in a publicly listed company) the officer shall declare this interest in writing to the Commissioner (ACP P) forthwith. If he/she is in any doubt as to what constitutes a commercial interest in public transport, he/she shall report in writing to the Commissioner (Attn. SP D) forthwith and seek guidance.