

**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

**THB(H)015**

Question Serial No.

0574

Head: 62 Housing Department

Subhead (No. & title):

Programme: (2) Private Housing

Controlling Officer: Permanent Secretary for Transport and Housing (Housing)

Director of Bureau: Secretary for Transport and Housing

Question:

It is mentioned in the Matters Requiring Special Attention in 2013-14, "... closely monitor, in association with Real Estate Developers Association of Hong Kong, Consumer Council and the Estate Agents Authority, the adequacy and transparency of sales information provided by developers to purchasers of first-hand residential properties..." and "... enhance the transparency of the sale of first-hand residential properties through the new regulatory regime as provided for under the Residential Properties (First-hand Sales) Ordinance (RPO) and to be implemented through the enforcement authority to be established under the RPO." In this regard, will the Administration inform this Committee of the latest progress of the implementation of the RPO, as well as the estimated annual recurrent expenditures for carrying out the relevant regulatory work and the establishment of the enforcement authority?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

Our preparations for the implementation of the Residential Properties (First-hand Sales) Ordinance (RPO) are well under way and we are fully geared up for the full implementation of the RPO with effect from 29 April 2013.

The estimated recurrent expenditure in 2013-14 for the Sales of First-hand Residential Properties Authority (SRPA), which is set up to implement the RPO, is \$40.78 million. The expenditure comprises staff costs, expenses of all aspects of work in relation to the implementation of the RPO, and the day-to-day office operation of the SRPA. Part of the expenditure arising from the operation of the SRPA will be offset by the savings arising from the phasing out of the existing Special Duties Unit (SDU), which was set up in December 2011 to help work out the legislative framework to regulate the sales of first-hand residential properties and set up the SRPA after the enactment of the RPO. The SDU will cease to exist shortly after the coming into operation of the SRPA. The shortfall of \$21.2 million required by the SPRPA in 2013-14 after utilizing the savings arising from the phasing out of the SDU is met by an increase of \$21.2 million in the estimated provision for 2013-14 under Programme (2) as compared to the revised estimate for 2012-13.

The functions of the SRPA include issuing guidelines on the RPO, carrying out compliance checks on the sales brochures, price lists, sales arrangement announcements, register of transactions, vendors' websites and advertisements of first-hand residential properties, carrying out inspections on show flats, first-hand completed residential properties and sales offices, handling complaints and public enquiries, conducting investigations on cases which may be in contravention of the requirements of the RPO, launching public education programmes, and establishing an electronic database for public access to the sales brochures, price lists and register of transactions of individual first-hand residential developments.

Name in block letters: D.W. PESCOD

Post Title: Permanent Secretary for Transport  
and Housing (Housing)

Date: 8.4.2013