

**For Information
18 December 2001**

**Legislative Council Panel on Economic Services
Progress Update on Hong Kong Disneyland**

Purpose

This paper briefs Members on progress of the Hong Kong Disneyland (HKD) project.

Background

2. Good progress has been made since the signing of the HKD project agreement with The Walt Disney Company (WD) and Hongkong International Theme Parks Limited (HKITP)¹ in December 1999. So far we have submitted three progress updates on the project for Members' information. The following paragraphs set out the latest progress since April 2001.

Government Works

3. Overall, Phase 1 of the HKD project is progressing on schedule -

- (a) ***Penny's Bay reclamation.*** We have achieved satisfactory progress since the letting of the reclamation contract in May 2000. As at end-November, 45.5 million cubic metres of sand fill have been deposited (about 67% completed). Sand extraction at Wailingding in Mainland

¹ This is the joint-venture company between Government and WD to develop and operate HKD.

and West Po Toi Marine Borrow Area are continuing. Sand borrowing at East Lamma Channel was completed on 3 November. The photographs at **Annex** show the latest development of the reclamation works. We aim to complete all reclamation works for HKD Phase 1 in December 2002.

- (b) ***Infrastructure works.*** We obtained Finance Committee's funding approval for the first package of major infrastructure works in Penny's Bay (excluding the former Cheoy Lee Shipyard (CLS) area) and 10-hectare reclamation at Yam O in June 2001. The first infrastructure contract comprised construction of roads, drainage, sewerage, water supply, landscape works, reclamation at Yam O and a public water recreation centre and was awarded to China State Construction Engineering Corporation in October at a contract sum of \$2.087 billion. Construction works have commenced on 24 October and are expected to be completed by April 2005.

Other works contracts under the first package of major infrastructure works for the construction of public piers and Yam O public transport interchange will be let in the next two years.

We intend to seek Finance Committee's funding approval in mid-2002 for the next package of major infrastructure works (covering the former CLS area). Detailed design of the works under this package has been substantially completed.

- (c) ***Independent Investigation on Fish Kill.*** Government is committed to avoid and minimize adverse impacts on the environment arising from public works. Following the two LegCo case conferences in November 2000 and March 2001 respectively on fish kill incidents in Ma Wan and Cheung Sha Wan fish culture zones, Civil Engineering

Department (CED) has been in close liaison with LegCo Members, concerned mariculturists and Agriculture, Fisheries and Conservation Department. CED commissioned an independent investigation on the cause of the fish kill in July this year. The investigation panel comprises three local university professors. To ensure that the investigation would be conducted in an open and transparent manner, a Liaison Group comprising the Honourable Tam Yiu-chung, Honourable Wong Yung-kan and Honourable Albert Chan, representatives of the mariculturists and relevant Government departments has been formed. The investigation is scheduled for completion in early 2002.

- (d) ***EIA Study on the Decommissioning of CLS.*** The former CLS site is required for the construction of the Penny's Bay Section of Chok Ko Wan Link Road and Road P2 under the next package of major infrastructure works. The site was reverted to Government in April 2001. The decommissioning of shipyard is a designated project under the Environmental Impact Assessment Ordinance (EIAO) which requires an Environmental Permit prior to commencement of decommissioning works. The decommissioning involves demolition and removal of all buildings and structures and where necessary, decontamination of site areas. It also includes implementation of appropriate mitigation measures to avoid and minimize any adverse environmental impacts arising from the decommissioning works so that the site would be made safe and free of hazards for future use.

The EIA study has commenced in April 2001. All site investigation works have been completed. Subject to the agreement of the Director of Environmental Protection, we plan to issue the study report for public inspection in early 2002 and complete the EIAO process by mid-2002 to tie in with the commencement of infrastructure works in the area.

HKITP Businesses

4. HKITP's works and commercial businesses are monitored by the Board and managed by Hong Kong Disneyland Management Limited². The Financial Secretary, Secretary for Economic Services, Secretary for the Treasury, Secretary for Works and Commissioner for Tourism sit on the Board as Government Directors. The Board meets quarterly and has convened 10 meetings so far.

5. HKITP has been working closely with various Government departments to contribute to Government's efforts in the design of infrastructure. In respect of Company works, HKITP has recently awarded a design contract for park infrastructure and another design contract for the Disney-themed hotels. Design works for both contracts are in progress. The company is also continuing its work through focus study groups and market research in catering.

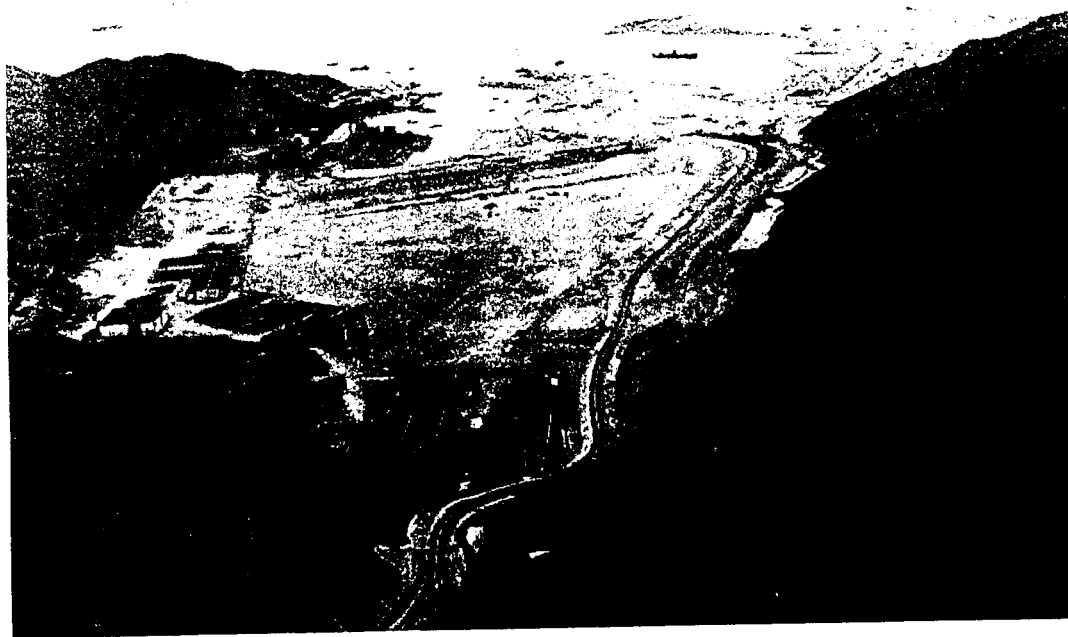
6. In October HKITP launched a Hong Kong Disneyland Preview Centre inside the Disney Store at Ocean Terminal in Tsim Sha Tsui. The Preview Centre features a site model of HKD, a photo of the ongoing reclamation works at Penny's Bay and some basic information on HKD. More information on HKD would be added to the Preview Centre as the project progresses.

- End -

Tourism Commission
Economic Services Bureau
December 2001

² This is a wholly-owned subsidiary of WD set up to manage HKD on behalf of HKITP.

Annex
附件



Reclamation Works at Penny's Bay (Inner Bay View)
(Progress as at end-November 2001)
竹篙灣（內灣）填海工程進度（截至二零零一年十一月底）



Reclamation Works at Penny's Bay (Outer Bay View)
(Progress as at end-November 2001)
竹篙灣（外灣）填海工程進度（截至二零零一年十一月底）