

For information  
6 June 2003

**LEGISLATIVE COUNCIL PANEL  
ON PLANNING, LANDS AND WORKS**

**Tamar Development Project**

**INTRODUCTION**

This paper sets out the Government's decision to put the Tamar Development Project temporarily on hold.

**JUSTIFICATION**

2. The scope of the Tamar development project includes the development of the new Central Government Complex and Legislative Council Complex, an Exhibition Gallery, a Civic Place and related facilities at the Tamar site. On 26 May 2003, the Government announced its decision to temporarily put the Tamar development project on hold in order to review its spending priorities. The review will be completed within six months.

3. Notwithstanding the review, the Government considers that the justifications for developing the proposed facilities at Tamar remain largely valid. However, the Severe Acute Respiratory Syndrome (SARS) outbreak has brought about significant impact on Hong Kong's economy. The estimated cost for the proposed development at Tamar amounts to some \$4.85bn in money-of-the-day (MOD) prices. That said, the Government is aware of the concern of the Legislative Council (LegCo) about the need for a new Legislative Council Complex (LCC) by the 3rd quarter of 2008.

**BACKGROUND**

4. Pursuant to decision of the Executive Council in April 2002 to proceed with the Tamar Development Project through a design-and-build contract,

the Government conducted a prequalification exercise in the second half of 2002 and prequalified five applicants in December 2002.

5. The Government briefed the LegCo Panel on Planning, Lands and Works on the project proposal in April 2003 and obtained the support of the Public Works Sub-committee for the upgrading of the project to Category A. The Government decided to withdraw the relevant submission to the Finance Committee and announced the decision on 26 May 2003.

Administration Wing  
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