

Subcommittee on West Kowloon Cultural District Development

***List of issues which require response from the Administration
for addressing the concerns and questions raised
at the meetings on 3 and 10 February 2006**

1. The Administration should articulate its responses in specific terms to the various recommendations of the Subcommittee set out in its Phase I and Phase II reports.
2. The public has the right to know any variations to the additional development parameters and conditions set out in the modified approach announced in October 2005, including any negotiations or exchange of letters between the Government and the screened-in Proponents in clarifying any points of doubt or seeking variations to the development parameters. According to some press reports, some of the screened-in Proponents have requested the Administration to reconsider the following arrangements under the modified approach:
 - (a) adopting a more flexible payment schedule for the \$30-billion trust fund instead of paying the \$30 billion upfront; and
 - (b) using the proceeds from the carved-out portions of the residential and commercial developments at the WKCD site to subsidize the construction of core arts and cultural facilities.
3. The Administration should confirm whether any negotiations or exchange of letters in respect of the above as well as other aspects of the modified approach will be taken as conditional acceptance on the part of the Government of the terms and conditions under the modified approach.
4. The Administration should advise the public why the screened-in Proponents' queries have not been raised and dealt with before 31 January 2006, and why the Administration allows the Proponents to raise further queries or alternative arrangements after the deadline for response, thereby causing further delay to the West Kowloon Cultural District (WKCD) project.
5. As the project involves the disposal of 40 hectares of Government land, the Administration should confirm whether any concession or commitment has been given or made by the Government for any of the screened-in Proponents without the knowledge of the other Proponents and the public,

* This list of issues was attached to the letter dated 14 February 2006 from the Chairman of the Subcommittee to the Chief Secretary for the Administration.

and whether such concession or commitment is given or made inconsistent with Government's responsibility imposed upon it under Article 7 of the Basic Law.

6. The Administration has indicated that all the three screened-in Proponents have expressed interest in continuing to participate in the WKCD project and the Administration will continue with the development of WKCD under the IFP framework. The Administration should confirm its planned timeframe for assessing the proposals of the screened-in Proponents and awarding the WKCD project to the Successful Proponent, and to what extent the Legislature and the public would be given the opportunity to scrutinize the development arrangements before Government enters into contract with the Successful Proponent. The Administration should explain the necessary statutory and administrative procedures that the Administration will have to follow before entering into contract with the Successful Proponent.
7. The mode of development under the IFP is regarded as an attempt of the Administration to circumvent the powers and functions of the Legislative Council under the guise of a public-private-partnership (PPP) project. However, according to international best practices, the pursuit of any PPP project should be subject to the monitoring of the legislature of the jurisdiction concerned. The Administration should explain how public interest is protected under the PPP approach adopted for the WKCD project.
8. The Administration should explain how it would respond to the findings of the Planning for West Kowloon and the Harbour Front Public Opinion Survey conducted by the Public Opinion Programme of the University of Hong Kong, which shows, among others, that 77% of the respondents object to building a canopy at WKCD.
9. The Administration should provide an estimate of the current land value of WKCD.