

ITEM FOR FINANCE COMMITTEE

HEAD 53 – GOVERNMENT SECRETARIAT : HOME AFFAIRS BUREAU

Subhead 700 General non-recurrent New Item “Promotion of Olympism”

Members are invited to approve the creation of a new commitment of \$150 million to provide funding support for the promotion of Olympism to tie in with the Beijing 2008 Olympic and Paralympic Games and the staging of the 2008 Olympic and Paralympic Equestrian Events in Hong Kong.

PROBLEM

The Beijing 2008 Olympic and Paralympic Games (the Games) will be held in August and September 2008 respectively and Hong Kong has been chosen to co-host the 2008 Olympic and Paralympic Equestrian Events (the Equestrian Events). The Government has to provide financial support for a comprehensive publicity and promotional programme to tie in with the Games and the Equestrian Events.

PROPOSAL

2. The Secretary for Home Affairs proposes to create a commitment of \$150 million to undertake a comprehensive publicity and promotional programme for the promotion of Olympism before and during the Games, and for the commemoration of the staging of the Equestrian Events in Hong Kong and providing a lasting legacy after the Games.

/JUSTIFICATION

JUSTIFICATION

3. The Games is a mega event which will be watched by billions of people worldwide. The staging of the Equestrian Events in Hong Kong is regarded as a great honour for Hong Kong to share the glory of hosting the Olympic and Paralympic Games for the first time in China and a milestone in Hong Kong's sporting history. The equestrian events are also one of the ten most widely watched Olympic Games events on television globally.

4. Community-wide participation in the celebration, educational, sport and other activities for the Games will provide a good avenue for people to share the joy of the Games and take pride in Hong Kong's staging of the Equestrian Events. By involving the public in the Olympic celebrations, arousing their interest in the Olympic Movement, and more deeply engendering the Olympic Spirit of solidarity, fair play and friendship and the Paralympic Spirit of transcendence, integration and equality within the community, we would be able to help build up a more harmonious and integrated society.

5. As an Olympic co-host city, Hong Kong will derive both short-term and long-term benefits from the staging of the Equestrian Events. We estimate that the Equestrian Events would draw to Hong Kong some extra 45 000 visitors comprising athletes, sporting officials and entourage, equestrian spectators, as well as media reporters. In the long run, Hong Kong will be able to raise its international profile, promote its credentials as Asia's world city and further strengthen its status as a tourism and events city.

6. As a result of Hong Kong's staging of the Equestrian Events, we are required by the International Olympic Committee (IOC) and the Beijing Organizing Committee for the Games of the XXIX Olympiad (BOCOG) to undertake certain initiatives such as territory-wide carnivals entitled "Live Sites" during the Games period, Torch Relays and those initiatives for cultivating the Olympic co-host city atmosphere before and during the Games. We are also required to draw up a plan for commemorating the Equestrian Events and sustaining an Olympic legacy after the Games.

7. To reap the social and economic benefits to be brought about by the Games and the Equestrian Events, and to fulfil our obligations to IOC/BOCOG, the Government has the responsibility to promote community participation and extend hospitality to visitors. We also need to cultivate the Olympic atmosphere, organise

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carnivals and celebration events for the enjoyment of our local citizens and visitors, and to leave a lasting legacy of the Olympic and Paralympic Spirits for the future generations. In the circumstances, we need a comprehensive community involvement and promotional programme to achieve these objectives.

Main Cost Components

8. The Government will make use of existing manpower resources as far as possible to launch the related publicity and promotional programme. We will also appeal to different funding sources (e.g. the 2008 Beijing Olympic Equestrian Events Hong Kong Fund, the District Councils' vote on community building projects, and Official Games Sponsors) in meeting the financial needs of certain activities which fall under appropriate ambits. However, given the magnitude, prolonged duration and extensive coverage of the proposed publicity and promotional programme, as well as the need to avoid ambush marketing^{Note}, we estimate that an additional funding of \$150 million over a period of two financial years from 2007-08 to 2008-09 is required to implement our programmes effectively. The more significant cost items are highlighted below.

Territory-wide Carnivals: Torch Relays, Live Sites, etc.

9. As required by the IOC and the BOCOG, we will organise territory-wide major carnivals i.e. Torch Relays and Live Sites. In addition, we propose to set up an Olympic-themed square. These carnivals and celebration sites aim at involving the public in the celebrations for the Olympic and Paralympic Games, arousing their interest in the Games, and creating a carnival atmosphere for all to experience. These programmes will mainly be carried out by the Leisure and Cultural Services Department (LCSD) and the Hong Kong Tourism Board (HKTB).

10. The LCSD will, with the help of the relevant government departments and in collaboration respectively with the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC); and the Hong Kong Paralympic Committee and Sports Association for the Physically Disabled, organise two Torch Relays, one for each of the Olympic and Paralympic Games. Key activities planned for the Olympic Torch Relay, which are expected to take place from January 2008 all the way up to early May 2008 when the actual torch

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^{Note} In the context of the Beijing 2008 Olympic Games, ambush marketing refers to any attempt by a third party (whether commercial or non-commercial) to associate itself directly or indirectly with the Olympic Games to gain recognition and benefits without paying sponsorship fees.

relay will take place, include a ceremony to receive the Olympic Flame, launching and closing ceremonies and a major community celebration programme en-route, as well as a series of pre-event publicity and community involvement programmes, e.g. roving exhibitions and school outreach programmes. The Torch Relay for the Paralympic Games is expected to be held in September 2008 and various community involvement programmes including launching and closing ceremonies commensurate with the scale of the event will be organised. The detailed programmes for and timing of the Torch Relays might change as and when so required by IOC/BOCOG. We expect that about 200 000 to 300 000 headcounts, excluding on-lookers along the relay route, will join these activities. The estimated budget for the two Torch Relays and associated work is \$22 million. A detailed breakdown of the estimated expenditure for the Torch Relays is at Enclosure 1.

Encl. 1

11. During the Olympic Games period, Live Sites will be set up and operated by the LCSD at Victoria Park and Sha Tin Park daily at selected hours tentatively from 8 August to 24 August 2008. A Live Site is also tentatively planned for the Paralympic Games on selected dates and hours from 6 September to 17 September 2008 at Sha Tin Park. The Live Sites will feature stage performance by performing arts groups/district organisations/schools, television broadcast of the Olympic and Paralympic events, entertainment and fitness activities, sale of licensed products, exhibitions, Olympic information centre, etc. The Live Sites will be open and accessible to all free of charge, and engage participants in experiencing the festive atmosphere. The detailed programmes for and duration/timing of the Live Sites might change as and when so required by IOC/BOCOG. The total estimated budget for these two Live Sites and associated work is \$30 million. A detailed breakdown of the estimated expenditure for the Live Sites is at Enclosure 2. Separately, the HKTB will also set up an Olympic-themed square at the Hong Kong Cultural Centre Piazza during the Olympic Games period to facilitate participation by visitors and local residents. The estimated cost is about \$5 million. We estimate that a total of 500 000 headcounts at least will visit these Live Sites and the Olympic-themed square.

Encl. 2

12. We will take advantage of the above major territory-wide carnivals to enhance public understanding of the sport for the disabled and to promote the spirit of integration between the able-bodied and disabled. The Olympic and Paralympic celebration events will be accessible again to all including the disabled persons. We will also separately liaise with local organisations and non-governmental organisations (NGOs) to join the Torch Relays and arrange organised visits to our Live Sites, if necessary through funding from District Councils. To enable people living in different districts to experience the Olympic/Paralympic atmosphere, we will also explore with the private sector and the Housing Authority the possibility of setting up celebration sites at selected locations for live broadcast of the competition events, delivering Olympic information and organising activities.

/Community

Community Participation: Educational, Sport and Other Activities

13. Olympism blends sport with culture and education. We will make use of the Games to promote deeper interest in and appreciation of sport and culture among the public through various educational and cultural programmes. The LCSD will organise a series of exhibitions and cultural programmes on the theme of horses, sport and Olympics in 2008. An exhibition with artefacts from the British Museum on the history of Olympics will be held at the Heritage Museum while an exhibition entitled “How Sport Works” will be mounted at the Science Museum to promote public understanding of sport. The LCSD will meet the costs of these two exhibitions from its annual budget for exhibition programme. Moreover, to commemorate the Equestrian Events to be held in Hong Kong as part of the Games, we propose a special exhibition to be held at the Museum of History showcasing about 120 items of horse-related artefacts drawn from the major museums and cultural institutes of the Mainland. The exhibits will be related to horses of different origins and species. The role of horses in the cultural interaction between the East and the West will be discussed. Hong Kong artwork with horses as the theme will also be displayed. Funding required for this blockbuster exhibition will be about \$5 million.

14. To encourage youth/local organisations/schools to organise various activities to promote Olympism in Hong Kong, to support volunteer, hospitality and logistics services for the Equestrian Events, we propose to spend \$20 million as follows –

- (a) the Home Affairs Bureau (HAB) will co-operate with BOCOG, SF&OC, the Equestrian Events (Hong Kong) of the Games of the XXIX Olympiad Company Limited, schools, uniformed groups, and dozens of youth organisations to organise a range of large-scale regional/territory-wide cultural, sport and educational programmes, as well as exchange visits to the Olympic host and co-host cities in the Mainland. Through these youth activities, we will not only broaden the horizon of the participants, but also foster a shared sense of national pride among the youth. Our estimated budget for this range of activities is about \$8 million;
- (b) at schools, the HAB will co-operate with various government departments and NGOs to promote national education, Olympism and the equestrian sport. We will make available around \$7 million to all primary and secondary schools for organising activities to promote Olympism and/or sport; and

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- (c) to showcase the community support to the Games and the Equestrian Events, we plan to spend around \$5 million to support volunteer, hospitality and logistics services for the Equestrian Events during the preparation and operation stages.

Publicity Programmes

15. To bring about community-wide participation in the Games and to ride on the Olympic platform to promote Hong Kong overseas, it is essential to raise the awareness of the Games and the Equestrian Events among local residents and people outside Hong Kong. To this end, we will implement a comprehensive local and overseas publicity programme which aims at highlighting Hong Kong's vibrant city image against the backdrop of a city embracing Olympism.

16. In promoting the Games and the Equestrian Events locally, the Information Services Department (ISD) will produce videos and Announcements in the Public Interest for broadcast at shopping malls, the Airport, MTR stations and various tourist attractions. The ISD will also partner with television and radio stations for the production of special programmes and develop a one-stop website to further promote Olympism and provide information on various celebration programmes/activities for participation by locals and visitors.

17. To leverage our prestigious status as an Olympic co-host city, promotional and public relations activities will be launched overseas and in the Mainland to promote the Equestrian Events and publicise the Olympic atmosphere and city decorations. The ISD, in collaboration with the Economic and Trade Offices and the Beijing Office, will promote Hong Kong overseas and in the Mainland by incorporating the Olympic theme in their promotional programmes, such as Chinese New Year receptions, celebration activities and exhibitions. The special programmes mentioned in paragraph 16 above will also be broadcast on overseas and Mainland media. The HKTB will also produce a promotional video targetting overseas trade and consumers for showing at major consumer and trade shows, as well as the website of the HKTB and various consumer channels to maximise coverage.

18. The HKTB will organise a series of overseas promotions in key markets to promote Hong Kong as an Olympic co-host city, which will form the platform for strengthening the destination image and highlighting Hong Kong's diverse attractions and living culture. Key programmes include a regional

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television campaign to be launched in partnership with major cable channels (e.g. National Geographic and ESPN), and production of special Olympic segments and feature articles to be placed on major overseas television and print media. In addition, targeted consumer promotions with overseas equestrian federations and travel trade will be organised to enhance awareness of the Equestrian Events.

19. To enhance the travel experience of visitors, the HKTB will improve the visitor directional signs, publish an Olympic-themed map for tourists, and arrange “Meet & Greet” at selected ports of entry to welcome visitors during the core periods of the Games.

20. The total estimated budget in the publicity programmes above for ISD and HKTB is \$22.7 million.

Initiatives for Cultivating the Olympic Co-host City Atmosphere

21. For an Olympic co-host city to live up to its name, Hong Kong will be dressed up to enhance the Olympic festive atmosphere and to provide an attractive backdrop for visitors and residents. We will continue to work with Official Games Sponsors in decorating Hong Kong so as to cultivate the Olympic co-host city atmosphere and where necessary, we will supplement their work by erecting Olympic-themed buntings, banners and posters at prominent public locations. In addition, the ISD, the LCSD, the HKTB and the Transport Department will undertake decoration initiatives covering prominent public locations such as decorations at all ports of entry, government venues, parking meter heads of on-street parking spaces and traffic signal poles; as well as advertising on bus, tram and tour coach bodies.

22. The proposed Mega Olympic Rings by the HKTB on the Victoria Harbour waterfront will become an Olympic icon cum tourist landmark attraction during the Games. The enhanced greening and beautification projects with emphasis on the theme of “Green Olympics” will also rejuvenate our greening efforts, promote a more comfortable living environment and enhance Hong Kong’s attractiveness to visitors. The total estimated budget for various initiatives for cultivating the Olympic co-host city atmosphere, inclusive of the Mega Olympic Rings, is \$28.8 million.

/Projects

Projects in commemoration of the Equestrian Events and for the Promotion of Olympic Legacy

23. As an Olympic co-host city, we are required by IOC/BOCOG to consider ways to commemorate the staging of the Equestrian Events and to promote the Olympic legacy. It is also our desire to devise an Olympic legacy plan which leaves a permanent structure commemorating the Equestrian Events and promoting Olympism for our future generations. In this connection, we also plan to mount a permanent exhibition to display important relics on and relating to the Equestrian Events and Olympics in due course. The total estimated budget for these projects is \$8 million.

Contingency

24. In order to meet IOC/BOCOG's requirements which are unforeseen at this stage, we need to reserve funding of about \$8.5 million (about 5.7% of the total estimated required funding) for contingency purposes.

FINANCIAL IMPLICATIONS

25. We estimate that the total funding required is \$150 million, with breakdown as follows –

Item	\$ million
Territory-wide carnivals: Torch Relays, Live Sites, etc.	57.0
Community participation: education, sport and other activities	25.0
Publicity programmes	22.7
Initiatives for cultivating the Olympic co-host city atmosphere	28.8
Projects in commemoration of the Equestrian Events and for the promotion of Olympic legacy	8.0
Contingency	8.5
Total	150.0

26. The cashflow requirement is estimated to be \$24.9 million in 2007-08 and \$125.1 million in 2008-09. A detailed breakdown of the total funding requirement is at Enclosure 3.

Encl. 3

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PUBLIC CONSULTATION

27. We consulted the Legislative Council Panel on Home Affairs on 9 November 2007 at which Members generally support our plan to seek additional funding for the promotion of Olympism.

Home Affairs Bureau
December 2007

Enclosure 1 to FCR(2007-08)40

**Breakdown of Estimated Expenditure
for the Olympic and Paralympic Torch Relays**

Description	\$	\$
1 Live television (TV) broadcasting / production for two Torch Relays		6,000,000
2 Publicity and advertising for two Torch Relays		3,000,000
(a) Advertisements (newspapers and supplements), bunting and directional signs etc.)	500,000	
(b) Pre-event promotion (press conference, production of Announcements in the Public Interest (APIs) and TV/radio trailers)	1,600,000	
(c) Other publicity materials (posters, banners, buntings, leaflets and inflatable features)	900,000	
3 Ceremonies / celebrations / events operation for two Torch Relays		12,000,000
(a) Ceremonies to receive the Flame, and launching and closing ceremonies for both Torch Relays, as well as community celebration programmes for the Olympic Torch Relay – venue decoration (stage, lighting and public address system) and performances	7,500,000	
(b) Event staff cost (cleansing workers, security guards, uniform and meals for volunteers)	2,050,000	
(c) Transportation	600,000	
(d) Printing materials and equipment	850,000	
(e) Others (ceremonial expense, marquees, photography and mobile toilets)	1,000,000	
4 Outreach programmes for public for two Torch Relays		1,000,000
(a) Miscellaneous expenses/equipment for on-lookers and cheering teams	200,000	
(b) Roving exhibitions	510,000	
(c) Hiring and decoration of floats and production of souvenirs	290,000	
	Total	<u>22,000,000</u>

Enclosure 2 to FCR(2007-08)40

**Breakdown of Estimated Expenditure
for the Olympic and Paralympic Live Sites**

Description	\$	\$
1 Programmes and performance for three Live Sites (two for the Olympic Games and one for the Paralympic Games)		12,800,000
(a) Opening ceremonies/closing ceremonies cum variety shows with TV telecast services	5,200,000	
(b) Celebration programmes (fitness corner, games stalls and fringe activities etc.)	3,300,000	
(c) Entertainment programmes including production fees	4,300,000	
2 Venue set-up and technical services for three Live Sites		11,620,000
(a) Venue decoration (backdrop, stage, bunting and directional signs etc.)	3,000,000	
(b) Hire of giant outdoor video walls	2,000,000	
(c) Lighting, public address system and electrical works	3,400,000	
(d) Setting up of marquees, information counter, cooling stations and other supporting equipment	3,220,000	
3 Publicity and ceremonial expenses for three Live Sites		2,850,000
(a) Press conference and public relations activities	800,000	
(b) Printing materials (including posters, leaflets, brochures)	1,080,000	
(c) Ceremonial expenses (including souvenirs for participants)	970,000	
4 Operational expenses and supporting services for three Live Sites		2,730,000
(a) Security, cleansing services and service groups	1,830,000	
(b) Miscellaneous	900,000	
	Total	<u>30,000,000</u>

Breakdown of the Funding Sought

	Major Item	Individual items	Description	Total (\$ million)
Territory-wide Carnivals: Torch Relays, Live Sites, etc.				
1	Torch Relays	Olympic and Paralympic Torch Relays	Live TV broadcasting/production, publicity/advertising, ceremonies/celebrations/events operation, outreach programmes for the public (Please refer to Enclosure 1 for a detailed breakdown)	22.0
<i>Sub-total for item (1)</i>				22.0
2	Live Sites / celebration site to be set up during the Olympic and Paralympic Games periods	Olympic and Paralympic Live Sites at Victoria Park and Sha Tin Park	Programmes/performances, venue set-up and technical services, publicity and ceremonies, operational needs and supporting services (Please refer to Enclosure 2 for a detailed breakdown)	30.0
		Olympic celebration site at the Hong Kong Cultural Centre Piazza	Programmes/performances, venue set-up and technical services, publicity and ceremonies, operational needs and supporting services	5.0
<i>Sub-total for item (2)</i>				35.0
Funding required for territory-wide carnivals: Items (1) and (2)				57.0
Community Participation: Education, Sport and Other Activities				
3	Exhibitions and cultural programmes	An exhibition showcasing horse-related artefacts drawn from the major museums and cultural institutes of the Mainland	Funding support required for the exhibition	5.0
<i>Sub-total for item (3)</i>				5.0
4	Olympic-themed youth, cultural exchange and other activities	Large-scale regional/territory-wide cultural, sport and educational programmes, as well as exchange visits to the Olympic host and co-host cities in the Mainland	Funding support for youth-focused cultural, sport and educational programmes as well as cultural exchange activities	8.0
		School-based programmes for the promotion of Olympism and/or sport	Funding support for primary and secondary schools, e.g. song or poetry competitions, sports competitions, etc.	7.0
		Community support to the Equestrian Events	Funding support for volunteer, hospitality and logistics services to the Equestrian Events during the preparation and operation stages	5.0
<i>Sub-total for item (4)</i>				20.0
Funding required for community participation: Items (3) and (4)				25.0

	Major Item	Individual items	Description	Total (\$ million)
Publicity Programmes				
5	Publicity/public relations programmes/materials for the promotion of Olympism	Overseas publicity and promotional programmes targetting key overseas markets	(a) A regional TV campaign to be launched in partnership with major cable channels, such as National Geographic and ESPN (b) Production of special segments and feature articles for overseas TV and print media (c) Targetted consumer promotions with overseas equestrian federations and travel trade in key long-haul markets	9.5
		Production and broadcast of videos/APIs for the promotion of Olympism/Olympic Games/Paralympic Games/Equestrian Events targetting local/Mainland/overseas audience and visitors in general	(a) A video on Hong Kong and its preparation work for the Equestrian Events targetting local and overseas audience (b) A series of TV and radio APIs promoting Olympism and Paralympism, demonstrating Hong Kong's commitment as a good host and showing support to the Hong Kong athletes taking part in the Olympic and Paralympic Games (c) A set of TV and radio APIs announcing various arrangements relating to the Equestrian Events (d) Broadcast of videos and APIs at shopping malls, the Airport, MTR stations and various tourist destinations	3.4
			Special programmes for broadcast on local/Mainland/overseas TV and radio stations	4.5
			A documentary video recording Hong Kong's participation as an Olympic co-host city	0.6
		Production of a promotional video for overseas consumers and trade	To be shown at major consumer and trade shows worldwide, and posted on the one-stop portal of the HKTB and various consumer channels	2.0
		Other publicity and promotional initiatives/materials	Olympic decorations to dress up visitor directional signs in 18 districts	0.5
			Olympic-themed booklets with maps to facilitate Olympic fans and visitors in general in the summer of 2008	0.8
		"Meet & Greet " at the Airport and Lo Wu	Arrange "Meet & Greet" to welcome visitors during the core periods of the Olympic and Paralympic Games	0.5
		Website development - a one-stop portal for the promotion of Olympism and updated information to local residents and visitors	Website design and development of interactive games	0.4
			Production of a music video on the theme song and interview segments with Hong Kong's able-bodied and disabled athletes	0.5
Funding required for publicity programmes : Item (5)				22.7

	Major Item	Individual items	Description	Total (\$ million)
Initiatives for cultivating Olympic co-host city atmosphere				
6	City dress-up covering all districts and prominent sites	Decorations at LCSD venues	Mascots, buntings, giant wall banners, outdoor sticker decoration on glass panels, exhibition boards, decoration of walls and pillars to be displayed in about 35 prominent LCSD venues throughout the territory	8.0
		Decorations at ports of entry (e.g. Airport and railway stations)	Mounting of banners, buntings, stickers and other Olympic-themed decorations	3.0
		Decorations for tour coaches	Stickers and other Olympic-themed decorations	0.5
		Decorations at other prominent public locations	Stickers on meter heads of on-street parking spaces, posters on traffic signal poles, and rentals for advertising spaces at government tunnels	3.2
			Lamp-post buntings and giant wall banners at outdoor locations	0.8
		Advertising on public transport	Bus/tram body advertising	0.8
	Greening and flower beautification work	(a) Mosaiculture of Olympic Rings and BOCOG emblem (b) Planting of seasonal flowers in August and September 2008	5.0	
Other structures	Mega Olympic rings	To construct mega Olympic rings on the waterfront of the Victoria Harbour for display during the Olympic and Paralympic Games	7.5	
Funding required for initiatives for cultivating Olympic co-host city atmosphere: Item (6)				28.8
Olympic Legacy Projects				
7	Projects in commemoration of the Equestrian Events and for the promotion of the Olympic Legacy	Olympic legacy projects	To commemorate the Equestrian Events staged in Hong Kong and to leave a lasting legacy, we plan to mount a permanent exhibition on Olympics to display important artefacts relating to the promotion of Olympism. We may also retain the large purpose-built Olympic-themed structure and other decorations which are appealing to local residents and visitors.	8.0
Funding required for Olympic legacy projects: Item (7)				8.0
Contingency				
8	Contingency			8.5
Funding reserved for contingency purposes: Item (8)				8.5
Total funding required for the publicity and promotional programme: Items (1) to (8)				150.0