

立法會
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Panel on Development

**Minutes of special meeting
held on Tuesday, 3 February 2009, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon LAU Wong-fat, GBM, GBS, JP (Chairman)
Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Albert CHAN Wai-yip
Hon LEE Wing-tat
Hon CHEUNG Hok-ming, SBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Dr Hon Priscilla LEUNG Mei-fun
Hon IP Kwok-him, GBS, JP
Dr Hon Samson TAM Wai-ho, JP

Member attending : Hon Audrey EU Yuet-mee, SC, JP

Members absent : Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon WONG Yung-kan, SBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Alan LEONG Kah-kit, SC

Hon Starry LEE Wai-king
Hon Tanya CHAN
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

**Public officers
attending** : **Agenda item I**

Mr Stephen LAM Sui-lung, JP
Secretary for Constitutional and Mainland Affairs

Mr Joshua LAW
Permanent Secretary for
Constitutional and Mainland Affairs

Mr Howard CHAN Wai-kee
Deputy Secretary for
Constitutional and Mainland Affairs (2)

Mr Ivan LEE Kwok-bun
Principal Assistant Secretary for
Constitutional and Mainland Affairs (7)

Mrs Carrie LAM, JP
Secretary for Development

Mr MAK Chai-kwong, JP
Permanent Secretary for Development (Works)

Mr David TONG Sek-por
Principal Assistant Secretary for
Development (Works)⁴

Mr Daniel CHENG
Acting Deputy Secretary for Education (1)

Mr FUNG Pak-yan
Deputy Director of Social Welfare (Services)

Miss Pamela LAM Nga-man
Principal Assistant Secretary for
Food & Health (Health)¹

Miss Winnie TSE
Principal Assistant Secretary for
Home Affairs (Civic Affairs)³

Clerk in attendance : Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance : Mr WONG Siu-yee
Senior Council Secretary (1)7

Ms Christina SHIU
Legislative Assistant (1)7

Action

I Hong Kong Special Administrative Region's second stage work in support of reconstruction in the Sichuan earthquake stricken areas

(LC Paper No.
CB(1)660/08-09(01)

-- Administration's paper on Hong Kong Special Administrative Region's second stage work in support of reconstruction in the Sichuan earthquake stricken areas

LC Paper No.
CB(1)660/08-09(02)

-- Paper on Hong Kong Special Administrative Region Government's post-quake reconstruction support work in Sichuan prepared by the Legislative Council Secretariat (Background brief))

With the aid of Powerpoint presentations, the Secretary for Constitutional and Mainland Affairs (SCMA) and the Secretary for Development (SDEV) briefed members on the Administration's proposal on Hong Kong Special Administrative Region's (HKSAR) second stage work in support of reconstruction in the Sichuan earthquake stricken areas. SCMA added that as set out in paragraph 2.2.1 of the Administration's progress report (the Report) annexed to the Administration's paper (LC Paper No. CB(1)660/08-09(01)), five dedicated working groups on reconstruction works, medical health and rehabilitation services, civic affairs, social work, and education and manpower training had been set up under the Steering Committee on the Hong Kong Special Administration Region's Support for Reconstruction in the Sichuan Earthquake Stricken Areas (the Steering Committee). The Administration had invited representatives from various sectors in Hong Kong to participate in those working groups. Regarding project auditing and monitoring, as stated in

paragraphs 2.3.5 and 2.3.6 of the Report, the Hong Kong side could send professionals to participate in such work on a need basis. The Constitutional and Mainland Affairs Bureau had disseminated information on HKSAR's reconstruction support work on its website so as to maintain high transparency and facilitate monitoring. The funds provided by HKSAR Government would be expended by stages from 2009 to 2011 according to the work progress. The Administration would report on the use of the \$350 million appropriated from the Disaster Relief Fund for provision of emergency relief to the earthquake victims after receiving relevant information from the relevant Mainland authorities. Subject to members' support of the Administration's proposal on the second stage reconstruction support work, the Administration would submit the relevant funding proposal to the Finance Committee for consideration at its meeting on 20 February 2009.

(Post-meeting note: The soft copies of the presentation notes of SCMA and SDEV (LC Paper Nos. CB(1)724/08-09(01) and (02)) were issued to members by email on 4 February 2009.)

Funding arrangement

2. Ms Emily LAU noted that the funds to be expended would be some \$3,600 million, \$1,800 million and \$310 million in 2009, 2010 and 2011 respectively. She asked whether it would be possible for the Administration to apply for funding by stages. SCMA said that the Administration had to obtain funding approval from the Finance Committee before signing the relevant agreement for the second stage reconstruction support projects with the Sichuan side. The Administration was mindful that public funds should be well spent. Therefore, reconstruction work would be carried out by stages in three years.

Selection of reconstruction support projects and cost estimates

3. Noting that the reconstruction support projects did not include residential flats for the victims, Prof Patrick LAU sought clarification on whether the Sichuan side would be responsible for their construction. For school projects, he considered the cost estimates reasonable and the facilities good. He asked whether the standards of those schools had been upgraded. SCMA said that individual cities and counties in Sichuan would be responsible for constructing residential flats so that they would have the same standard. For school projects, the Permanent Secretary for Development (Works) (PS(W)) said that the schools destroyed during the earthquake were built years ago. Therefore, the current national standards would be adopted for reconstructing the schools instead of using the old standards.

4. Mr Albert CHAN said that while Hong Kong people should actively

Admin support reconstruction of the Wolong Nature Reserve, the Central Government was making special arrangements for Hong Kong to undertake the project. As the Wolong Nature Reserve was an important natural heritage site recognized internationally, Hong Kong's reputation would be enhanced through undertaking this less controversial project. He considered it miserable that Hong Kong needed the Central Government's blessing even in such matters. As regards the Provincial Road 303 from Yingxiu to Wolong, he asked whether it would be constructed mainly in the form of a tunnel and whether it could withstand future earthquakes. He considered that it should be constructed mainly in the form of a tunnel. He also commented that detailed information such as the number and length of the tunnels should be made available to Members. On the financial side, he was concerned about whether the financial tsunami would affect the validity of the cost estimates. He requested the Administration to provide a comparison of the cost estimates of the reconstruction projects supported by Hong Kong with those of similar reconstruction projects in Sichuan undertaken by other provinces.

Admin 5. In response, SCMA advised that Annexes 5 to 9 to the Report provided detailed information about the first stage and second stage reconstruction support projects. As regards the Provincial Road 303 from Yingxiu to Wolong, PS(W) said that the Administration had conducted site visits, and the Sichuan Provincial Transport Department had completed a detailed feasibility study on the reconstruction project and discussed the project with the Administration and experts of the Hong Kong Construction Sector 5 · 12 Reconstruction Joint Conference (RJC). Some sections of the road would be constructed in the form of a tunnel and some sections would be reconstructed along the original route of the road. SDEV agreed to provide information on the configuration of the section of the Provincial Road 303 from Yingxiu to Wolong.

6. Prof Patrick LAU expressed support for the reconstruction projects to be funded by Hong Kong. He considered that the reconstruction works for the Provincial Road 303 would be difficult and the timeframe was tight. Under the circumstances, he asked how the project would be implemented. SDEV said that for certain works under the project, contractors possessing a higher level of qualifications and better safety records would be engaged in view of the complexity of the project. A temporary access road had been completed and the Spring season was an opportune time to commence the reconstruction of the Wolong Nature Reserve.

Project and fund management

7. Mr CHAN Kam-lam expressed support for the reconstruction support projects, especially those for the Wolong Nature Reserve. He considered that the timeframe was tight to complete the major restoration and reconstruction tasks in three years. Although the reconstruction support projects falling outside the

Wolong Nature Reserve were of a smaller scale and their cost estimates were not high, the number of such projects was large. In this regard, he enquired whether there would be difficulties for the staff members in various bureaux and departments in coordinating and monitoring those projects. Given that the 20 additional posts for the reconstruction support work would last for no longer than three years, he asked whether the Administration would extend those posts if some reconstruction support projects required more than three years to complete, and whether further additional staffing would be required in future.

8. In response, SCMA said that Annex 12 to the Report provided information on the additional staffing and related costs required by various bureaux and departments. The Administration had taken into consideration the current financial situation and had been making the fullest use of its human resources as far as possible over the past months in taking forward the reconstruction support work. SDEV added that the Administration's additional staffing was mainly for a period of three years. If some projects lasted for longer than three years, the Administration would try to use its existing human resources to cope with the situation because the workload was expected to be less heavy during the later stages of the projects.

9. As regards monitoring, PS(W) said that of the 123 reconstruction support projects in the first and second stages, one was a planning study project. For the remaining 122 works projects, each of them would be carried out under a separate project agreement. A milestone payment approach would be adopted for disbursement of funds to facilitate monitoring. Depending on the complexity of the reconstruction support projects, different monitoring approaches would be used. As the Development Bureau would only have five additional staff members for the reconstruction support work, it could not monitor every project on site during the whole reconstruction period. The Sichuan side would provide the relevant documents, such as progress reports, site photographs, certification and test/acceptance reports, to the Administration for monitoring purposes. The Administration would also monitor the progress and quality of the projects through periodic inspections at critical stages of the projects.

10. Ms Emily LAU said that her office received some telephone calls from members of the public who expressed objection to the Administration's proposal. Although reconstruction projects with a genuine need should be supported, the public had concerns about insufficient monitoring. The Administration should relay to the Mainland authorities the view that the relevant officials and parties should be held responsible if the buildings that collapsed during the earthquake had failed to reach the required technical standards when they were built. The Administration should ensure that the reconstruction support projects supported by Hong Kong were up to the required technical standards. She had no confidence that photographs, reports and periodic inspections were sufficient for monitoring purposes. In this regard, she requested the Administration to provide

further information on how the reconstruction projects supported by Hong Kong would be monitored and the legal responsibilities of various parties.

11. In response, SCMA said that Hong Kong's funds in support of the reconstruction work would be well spent and the projects would be up to stringent technical standards, especially in relation to earthquake resistance standards. It was specified in the Cooperation Arrangement on Support of Restoration and Reconstruction in the Sichuan Earthquake Stricken Areas (Cooperation Arrangement) that tendering, auditing and monitoring of the projects would be conducted according to relevant Mainland regulations. The measures were also recapitulated in paragraphs 2.3.5 to 2.3.11 of the Report. The Cooperation Arrangement (Annex 4 to the Report) also prescribed that the Sichuan side would bear any legal responsibilities that might arise from the reconstruction projects. The Administration had already reflected the public concerns about the technical standards of the collapsed buildings to the Sichuan side.

12. PS(W) said that during the implementation of the projects, quality assurance would be accorded high importance. The Administration had been in close liaison with the Sichuan side on the matter. Experienced and recognized Mainland construction supervising engineers would be engaged to carry out independent monitoring and inspections for each project, and the related expenses had been included in the cost estimates. They would provide reports on their monitoring work to the Administration on a regular basis. It would be very costly to send Hong Kong professionals to Sichuan to carry out monitoring and inspections throughout the whole reconstruction period. He further said that many buildings collapsed during the earthquake were built many years ago and the then technical standards could not withstand such a violent earthquake. The Cooperation Arrangement provided the framework for project and funding management, whereas Chapter 7 of the Regulations on Post-Wenchuan Earthquake Rehabilitation and Reconstruction prescribed the statutory monitoring and management arrangements for the reconstruction work (Annex 3 to the Report).

13. Mr LEE Wing-tat said that the reconstruction support work was meaningful and should be supported. However, he was worried that completing the major restoration and reconstruction work in three years was a political objective and the quality of the projects might be compromised in order to meet the target completion date without giving due regard to the actual circumstances. He asked whether it was possible to defer the completion dates of certain projects when necessary. He said that massive construction of public housing estates within a short period of time in Hong Kong and Singapore had resulted in insufficient monitoring and low quality. As local authorities in the Mainland probably had little experience in implementing and monitoring such a large number of projects within such a short period of time, he was worried that there

would be insufficient monitoring. As reconstruction projects supported by Hong Kong would be certified and accepted by the Sichuan side, he urged the Administration to introduce more stringent measures to ensure the quality of the projects and enhance the role of the Hong Kong side in this regard. If those projects failed to reach the required technical standards, Hong Kong's image would be tarnished.

14. In response, SDEV said that the target completion dates for the reconstruction support projects were determined based on practical considerations and could be adjusted according to the actual circumstances. By way of illustration, after conducting extensive site investigation and geological research, professionals from both sides agreed that the target completion date of the Provincial Road 303 from Yingxiu to Wolong should be adjusted from end of 2010 to early 2011. The reconstruction support projects were expected to be completed in three to five years in general. PS(W) added that school projects of a simpler nature were expected to be completed in two years. Apart from the five additional staff members to assist in the reconstruction support work, the Development Bureau had secured volunteer professionals who had participated in the RJC and also professionals from other Government bureaux and departments to provide assistance. The Administration could organize them to assist in the certification and acceptance processes.

15. Ir Dr Raymond HO declared that he was associated with one of the organizations that had obtained funding for participating in the reconstruction support work. He expressed support for the Administration's proposal and urged the Administration to provide regular progress reports so as to encourage Hong Kong people's participation. He had conducted site visits and noted the damages to the Provincial Road 303 from Yingxiu to Wolong. He was confident that the most appropriate configuration would be adopted for its reconstruction based on the actual circumstances, and national technical standards would be adhered to. The cost estimates for the project were reasonable and the exact completion date would depend on the actual progress. Contractors and construction supervising engineers with the appropriate level of expertise would be responsible for projects of different complexity. Stringent earthquake resistance standards would be adopted.

16. Ms Cyd HO said that while Hong Kong should contribute to the reconstruction support work, she considered that projects supported by Hong Kong should be of good quality and the buildings should be safe and up to the required technical standards. In implementing those projects, Hong Kong's knowledge in providing facilities and services could be introduced to the Mainland in addition to adhering to national standards. Hong Kong people should establish a rapport with the victims and those parties in the Mainland engaged in the reconstruction work.

17. In response, SCMA said that as cited in paragraph 1.2.4 of the Report, the Central Government had specified new earthquake resistance standards with four levels for different types of construction projects. Medical buildings would be at levels A or B and school buildings would be at level B or above. Even level D buildings would possess an appropriate earthquake resistance level. These standards would be strictly adhered to.

Admin 18. Mr LEE Wing-tat considered that the level of qualifications of those construction supervising engineers should be as high as possible. As Hong Kong provided the funds for the reconstruction support projects, he considered that Hong Kong could require higher technical standards and stricter monitoring. He expressed concern that Hong Kong would have insufficient control over the certification and acceptance processes, as the monitoring work had to depend on the documents provided by the Sichuan side. He requested the Administration to provide further information before the relevant Finance Committee meeting on the certification and acceptance procedures for the reconstruction projects supported by Hong Kong.

19. In response, PS(W) said that construction supervising engineers would carry out their work independently. The five additional staff members in the Development Bureau would mainly be responsible for coordination work. Site inspections could be carried out at different stages of the projects and supporting documents including test reports would be provided by the construction supervising engineers. The details of the monitoring mechanism could be specified in the project agreements for individual projects.

20. Mr James TO said that specifying the monitoring mechanism in the project agreements was one of the methods but the crux was the wording of those agreements. Whether Hong Kong could arrange trustworthy and unyielding professionals to participate in the certification and acceptance procedures was important. As Hong Kong provided the funds for the relevant reconstruction support projects, he believed that while the projects were subject to Mainland laws and regulations, the Sichuan side would be willing to heed the requests from the Hong Kong side in implementing those projects and ensuring their quality. In this way, the Hong Kong public would feel that public funds would be well spent.

Participation of non-government organizations, professionals and the public

21. As regards participation by Hong Kong professionals in the five dedicated working groups under the Steering Committee on the Hong Kong Special Administration Region's Support for Reconstruction in the Sichuan Earthquake Stricken Areas, Ms Emily LAU enquired whether participation was open to all professionals from various sectors and whether some professionals who wished to participate had been rejected.

22. In response, SCMA said that the relevant bureaux had invited Hong Kong professionals from various sectors to join the five dedicated working groups and other professionals could contribute through participating in reconstruction support projects to be undertaken by non-government organizations. According to his understanding, while no organizations or professionals had been rejected from participating in the reconstruction support work, some organizations had not yet been able to find a suitable partnership organization from the Sichuan side.

23. Ir Dr Raymond HO said that some retired professionals were willing to assist in the reconstruction work so as to help reduce the Administration's manpower pressure and the Administration could give some thoughts to this.

24. Ms Cyd HO considered that the Administration could create more job opportunities for Hong Kong talents and fresh graduates by providing a separate subvention for them to offer the much-needed services to the victims immediately. Such an arrangement would help those graduates gain more experience in aspects such the legal structure, culture, operation and social order on the Mainland. This would facilitate the future integration of young people in both places. She urged the Administration to include a provision for the employment of local young people in the reconstruction support work in the 2009-2010 Budget.

25. In response, SCMA said that non-governmental organizations could apply to participate in the reconstruction support work. The Administration had set aside \$100 and \$150 million for this purpose in the first and second stages of the reconstruction support work respectively. The Administration welcomed the idea of employing young people or professionals to provide services and training and it would actively consider the suggestion of providing Mainland placement opportunities in future.

26. Mr Albert HO said that the scale of the reconstruction support work and the tightness of the timeframe for completing the work were unprecedented. He hoped that the life of the victims would return to normal as soon as possible. He was worried about the quality of the reconstruction projects in view of the huge number of projects to be implemented within a short period of time and the immense demands for human resources and materials. The Mainland authorities could consider soliciting more support, such as capitalizing on Hong Kong's talents, services and expertise in the reconstruction work. If further support from Hong Kong was needed in future, he asked whether it could be in the form of services and human resources instead of monetary support. In this regard, he enquired about the number of Hong Kong professionals participating in the reconstruction support work. He also sought clarification on whether offers by international organizations such as the Japan section of the Doctors Without Borders in providing support had been rejected by the Mainland authorities. He

considered that participation by international organizations and experts could assist in ensuring the quality of the reconstruction projects.

Admin 27. In response, SDEV said that according to the Cooperation Arrangement, Hong Kong was responsible for providing funds in support of the reconstruction work. As such, it would be difficult for the Administration to provide human resources in place of monetary support and arrange salaried Hong Kong professionals to work on the reconstruction projects. Furthermore, qualifications recognition might pose a problem. Nevertheless, contractors awarded the works contracts of the reconstruction projects could employ Hong Kong professionals as appropriate. The Cooperation Arrangement specified that in implementing the reconstruction support projects, Hong Kong's expertise in various aspects would be introduced to the Sichuan side. By way of illustration, Hong Kong professionals of the RJC had, together with the Administration, conducted three site visits to Sichuan and participated in relevant meetings held in Shenzhen. The number of such voluntary professionals would increase in future, and the Administration would bear their flight and accommodation costs for site visits. She agreed to provide regular reports on the number of site visits organized by the Administration to Sichuan and the number of Hong Kong professionals and overseas experts participating in those site visits. SCMA added that Hong Kong professionals could participate in the reconstruction work through three channels. Some came from the Government and non-governmental organizations and some were volunteers. As regards the Japanese non-governmental organization referred to by Mr Albert HO, the Administration had already communicated with the Sichuan side on its offer for support in May 2008 and did so again more recently.

28. The Chairman said that members' views would be reported to the Finance Committee when it considered the relevant funding proposal at its meeting on 20 February 2009.

II Any other business

29. There being no other business, the meeting ended at 6:00 pm.