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## Panel on Commerce and Industry

### Meeting on 15 December 2009

### Updated background brief on Hong Kong Special Administrative Region's participation in the World Exposition 2010 Shanghai China

#### Purpose

This paper provides the background to the participation of Hong Kong Special Administrative Region (HKSAR) in the World Exposition 2010 Shanghai China (Shanghai Expo) and also a summary of views and concerns expressed by Members on related arrangements.

### Background

2. The Shanghai Expo will be held in Shanghai from 1 May to 31 October 2010 under the theme of "Better City Better Life"<sup>1</sup>. More than 240 international organizations have confirmed their participation in the event, which is expected to attract more than 70 million visitors.

3. In August 2007, the Government received a proposal from the organizer of the Expo (the Organizer) inviting the participation of the HKSAR in the event in its capacity as a Special Administrative Region of the host country. The Government intended to make full use of this opportunity to publicize Hong Kong's quality city life and position as a creative capital, by constructing a stand-alone Hong Kong Pavilion (HKP), participating in the "Urban Best Practices Area" (UBPA) Exhibition, and organizing a series of related activities such as Hong Kong week, parades and cultural performances.

<sup>&</sup>lt;sup>1</sup> The five sub-themes are: blending of diverse cultures in the city; economic prosperity in the city; innovation of science and technology in the city; remodeling of urban communities; and rural-urban interaction.

4. Following consultation with the Panel on Commerce and Industry (the Panel), the financial implications of \$380 million supporting HKSAR's participation in the Shanghai Expo and the HKP project as well as the staffing proposal were separately approved by the Finance Committee at its meetings on 9 May, 6 June, 4 July 2008 and 22 May 2009.

#### **Previous discussions**

5. The Panel had closely monitored the preparations of HKSAR for participating in the Shanghai Expo at its meetings on 18 December 2007, 15 April, 17 June 2008 and 17 February 2009. Most Panel members supported in principle the project and the overall funding as well as the proposal to create a supernumerary Administrative Officer Staff Grade C (AOSGC) post at Directorate 2 level for a period of 20 months from 1 June 2009 to 31 January 2011 to coordinate preparations, oversee implementation, and undertake subsequent follow-up work. They considered the participation in the Shanghai Expo an excellent opportunity to exhibit Hong Kong's quality city life and position itself as a creative capital, as well as to emphasize Hong Kong's role as an important city connecting the Mainland and the rest of the world. It would help Hong Kong businesses, in particular small-to-medium enterprises, capitalize on the business opportunities arising from the Shanghai Expo. Moreover, the local creative talents, particularly those in the fields of design, architecture, software and performing arts, would have a good opportunity to showcase their talent and creativity to the Mainland and international audiences.

6. Panel members noted that the quantifiable economic benefit to Hong Kong which would arise from HKSAR's participation in the Shanghai Expo was estimated to be between \$250 million (in the main scenario) to \$375 million (in the high scenario) at current dollar value. There would be indirect impact across a wide spectrum of local industries, with opportunities for additional job creation, mainly in tourism and related industries as a result of the expected increase in the number of induced visitors to Hong Kong.

7. Referring to the smart card technologies proposed to be featured in the UBPA Exhibition, some Panel members expressed concern that some of the applications, such as the use of smart cards to facilitate the rollout of elderly health care voucher and to access the electronic health records of patients, were only at pilot stage and yet to be implemented in Hong Kong. They requested the Administration to draw up a timetable for developing and implementing the various smart card applications and to regularly update the Panel on the progress. The Administration assured members that it would continue to pursue the wider applications of smart cards and engage the local creative industries to enrich the content of the UBPA Exhibition to showcase Hong Kong's innovative use of smart cards to enhance connectivity and improve efficiency and quality of life in this digital age.

8. Panel members urged the Administration to reach out to the private sector to secure sponsorships to cover some of the planned activities of the Shanghai Expo and to offset some of the financial commitments earmarked for the project. The Administration assured members that it would make the best effort to solicit sponsorship, particularly in the face of the current bleak economic climate.

9. Panel members requested that some of the exhibits, especially the HKP, should be retained for continuous exhibition in Hong Kong after the Shanghai Expo. The Administration advised that while under normal rules the HKP would have to be demolished after the Shanghai Expo, the Expo Coordinator would negotiate with the Bureau of Shanghai World Expo Co-ordination for its possible preservation. Consideration would also be given to reprovisioning the HKP in Hong Kong, in whole or in part, including, for example, displaying the exhibits in the premises managed by the Leisure and Cultural Services Department. The Panel would be consulted regarding the arrangements for final disposition of the HKP and the exhibits after conclusion of the Shanghai Expo.

10. Panel members opined that publicity of the Shanghai Expo should be enhanced so as to promote business opportunities and generate more economic benefits from Hong Kong's participation in the event. The Administration advised that during and after the Shanghai Expo, the public would be able to obtain a virtual experience of the exhibitions at the HKP and the UBPA through the Expo Online which would be established on the Internet.

# Latest position

11. The Administration will update the Panel on 15 December 2009 on the progress and developments of HKSAR's participation in the Shanghai Expo.

### References

12. A list of relevant papers is in the **Appendix**.

Council Business Division 1 Legislative Council Secretariat 9 December 2009

# List of relevant papers

Committee	Paper	LC Paper No.
Meeting of CI Panel on 18 December 2007	Administration's paper : "HKSAR's participation in the World Exposition 2010 Shanghai China"	CB(1)435/07-08(08)
	Minutes of meeting	CB(1)780/07-08
Meeting of CI Panel on 15 April 2008	Administration's paper : "HKSAR's participation in the World Exposition 2010 Shanghai China" (progress updates)	CB(1)1211/07-08(06)
	Minutes of meeting	CB(1)1534/07-08
	Administration's follow-up paper : "HKSAR's participation in the Shanghai Expo – Supplementary information on the breakdown of the preliminary estimated expenditure"	CB(1)1431/07-08(01)
	Administration's follow-up paper : "HKSAR's participation in the World Exposition 2010 Shanghai China" (detailed description of HKSAR's proposal for participation in the Urban Best Practices Area Exhibition)	CB(1)1446/07-08(01)
Meeting of Finance Committee on 9 May 2008	Administration's paper : HEAD 144 – GOVERNMENT SECRETARIAT: CONSTITUTIONAL AND MAINLAND AFFAIRS BUREAU Subhead 700 General non-recurrent HEAD 703 – BUILDINGS Support – Commerce and Industry 6GA – HKSAR's Participation in the World Exposition 2010 Shanghai China – Hong Kong Pavilion	FCR(2008-09)8
	Minutes of meeting	FC12/08-09

Committee	Paper	LC Paper No.
Meeting of Public Works Subcommittee on 21 May 2008	Administration's paper : HEAD 703 – BUILDINGS Support – Commerce and Industry 6GA – HKSAR's Participation in the World Exposition 2010 Shanghai China – Hong Kong Pavilion	PWSC(2008-09)12
	Minutes of meeting	PWSC112/07-08
Meeting of Finance Committee on 6 June 2008		FCR(2008-09)19
	Minutes of meeting	FC13/08-09
Meeting of CI Panel on 17 June 2008	Administration's paper : "Progress report on Hong Kong Special Administrative Region's participation in the World Exposition 2010 Shanghai China"	CB(1)1865/07-08(05)
	Minutes of meeting	CB(1)2257/07-08
Meeting of Finance Committee on 4 July 2008	Administration's paper :HEAD144-GOVERNMENTSECRETARIAT :CONSTITUTIONAL ANDMAINLAND AFFAIRS BUREAUSubhead 700 General non-recurrentNew Item "HKSAR's Participation in the WorldExposition 2010 Shanghai China"	FCR(2008-09)38
	Minutes of meeting	FC33/08-09
Meeting of CI Panel on 17 February 2009	Administration's paper : "HKSAR's participation in the World Exposition 2010 Shanghai China"	CB(1)768/08-09(05)
	Paper on Hong Kong Special Administrative Region's participation in the World Exposition 2010 Shanghai China prepared by the Legislative Council Secretariat (background brief)	CB(1)768/08-09(06)
	Minutes of meeting	CB(1)2198/08-09

Committee	Paper	LC Paper No.
Meeting of Establishment Subcommittee on 29 April 2009	Head 144 – Government Secretariat : Constitutional and Mainland Affairs Bureau Subhead 000 Operational expenses	EC(2009-10)3
I	Minutes of meeting	ESC36/08-09
Meeting of Finance Committee on 22 May 2008	Administration's paper : RECOMMENDATIONS OF THE ESTABLISHMENT SUBCOMMITTEE MADE ON 29 APRIL 2009 EC(2009-10)3 Head 144 – Government Secretariat : Constitutional and Mainland Affairs Bureau	FCR(2009-10)13
	Minutes of meeting	FC156/08-09