LegCo Panel on Administration of Justice and Legal Services

Follow-up to discussion at the meeting on 22 July 2014 on the provision of accommodation support for law-related organisations in the West Wing of the former Central Government Offices and the former French Mission Building (LC Paper No. CB(4)939/13-14(04))

Introduction

At the Panel meeting held on 22 July 2014, Members requested the Administration to provide information on –

- (a) whether the Administration would provide similar financial assistance in terms of accommodation support to other professional bodies, such as those relating to innovative design;
- (b) the actual vis-à-vis nominal rental payable by the selected law-related organisations (LROs) which would be allocated space in the West Wing and former French Mission Building (FMB); and
- (c) any other types of financial assistance provided to the LRO tenants such as the Hong Kong International Arbitration Centre (HKIAC).
- 2. We set out in this note the consolidated Administration response to the issues raised.

Financial assistance in terms of accommodation support to other professional bodies, such as those relating to innovative design

3. As advised by the Financial Services and the Treasury Bureau, according to government accommodation policy, government accommodation is primarily for the use of government departments. However, the Government may let out for use by non-governmental organisations (NGOs) (at concessionary or nominal rent, if justified) government accommodation which is surplus to government requirements and not suitable for commercialisation. Such cases should be initiated and supported by the relevant policy bureau with full justifications and confirmation that the services to be provided by the NGOs in the accommodation should help fulfil the concerned bureau's policy and work objectives. Each case will be considered on its own merits and subject to the

availability of resources. Similarly, the provision of other forms of accommodation support (e.g. financial assistance) to NGOs may also be considered on a case-by-case basis on the individual merits of each case as initiated and justified by the relevant policy bureau and subject to resources.

4. We have also consulted the Commerce and Economic Development Bureau (CEDB) on the arrangements for professional bodies relating to innovative design. CEDB advises that while CEDB currently does not provide government-owned accommodation nor direct rental subsidy to the organisations of the creative industries relating to innovative design, funding is provided to support the operation / activities of some of the organisations concerned. Where applicable, such organisations may use part of such funding and/or the income generated from their operation / activities to pay for the rental of leased premises.

Actual vis-à-vis nominal rental payable by the selected LROs which would be allocated space in the West Wing and FMB

5. The provision of space in the West Wing and FMB to LROs is at an early stage of planning, and the exact usable area in the two buildings is still under study. A committee will be set up to consider the detailed arrangements for providing accommodation support for LROs in the West Wing and FMB and to advise the Secretary for Justice, among other things, on the allocation of space to selected LROs and the rental charges for selected organisations. The committee will consider the appropriate arrangement having regard to the current arrangement and the prevailing circumstances of the LROs concerned. We may consider offering accommodation to the LROs selected at nominal rental, provided that they meet the criteria set out in the Panel paper and if their financial position warrants such treatment. The detailed arrangements will be decided nearer the time. This said, we will pursue with the selected LROs arrangements that the assistance to be provided should be reduced as their financial situation improves over time.

Other types of financial assistance provided to LRO tenants such as the HKIAC

- 6. HKIAC is our home-grown arbitration institution, and the Government has provided funding support for setting up the Centre. Apart from providing accommodation at nominal rental, with the approval of the LegCo Finance Committee, the Government provided a grant of \$1.2 million as financial assistance towards the cost of setting up and running HKIAC in 1984 and a capital grant of \$19.1 million in 1989 to cover its running expenses. HKIAC also sought ad hoc support under various funding schemes of the Government for individual projects, which were granted on individual merits.
- 7. HKIAC aside, the Government is also currently providing support to the Asia Office of the International Chamber of Commerce, International Court of Arbitration, the China International Economic and Trade Arbitration Commission Hong Kong Arbitration Center and the Asia Pacific Regional Office of the Hague Conference on Private International Law, mainly in the form of accommodation sponsorship. We will continue to focus on the provision of accommodation assistance (as opposed to other types of financial assistance) for LROs to be housed in the West Wing of the former Central Government Offices and the former French Mission Building, based on the selection criteria and other arrangements discussed at the Panel meeting on 22 July 2014.

Department of Justice October 2014