

Comparison between the Estimated Capital Cost for Replacement Air Traffic Control (ATC) System in Annex G of the Panel on Economic Services Discussion Paper

New ATC Systems in Annex G of the discussion paper submitted to the Panel on Economic Services of Legislative Council dated 26 February 2007 [CB(1)966/06-07(04)] (Item Reference No. is same as that in Annex G)	Estimated Capital Cost in Annex G of the paper (Millions)	Contracts in Table I of the Audit Report	Total estimated contract value (Millions)
(a)(i) Radar Data Processing and Display System/Flight Data Processing System (RDPDS/FDPS)	675	(a) Air Traffic Management System (ATMS) (Procured)	486.0
(a)(xiv) Radar Data Formatter	5	Contract variation No. 1 (Procured)	42.4
(b)(i) Radar Simulator for RDPDS/FDPS	26	Contract variation No. 2 (Procured)	46.8
(b)(iii) Computer-Based Training (CBT) System	5	Professional services (Note 1), procurement of initial parts , operational and technical training (Not all procured yet)	115.2
Sub-total:	711	Sub-total:	690.4
(a)(iii) Aeronautical Information Database	120	(b) Air Traffic Services Data Management System (Procured)	135.0
(a)(v) Cable/Microwave Link Network	120	(c) Aeronautical Information Management System (Procured)	55.0
(a)(vi) Centralised Monitoring and Control System	15	(e) Communication Backbone (Procured)	31.0
(a)(vii) Very Small Aperture Terminal	15	(h) Ancillary and Technical Support Systems (Procured)	65.0
(a)(ix) Telephone System	6	Other Ancillary System/Facilities (Procurement is in progress)	136.0
(a)(x) Secondary Surveillance Radar Situation Display System	3	Professional services (Note 1), procurement of initial parts, operational and technical training (Procurement is still in progress)	57.2
(a)(xii) Un-interruptible Power Supply System	8	Sub-total:	479.2
(a)(xiii) Master Clock System	5		
(a)(xv) Other Ancillary Systems/Facilities	112		
Sub-total:	404		
(a)(iv) ATS Message Handling System and Aeronautical Telecommunication Network	75	(d) Aeronautical Messaging System (Procured)	23.0
		(g) Relocation and Expansion of Air Traffic Services Message Handling System (Procured)	23.0
		Professional services (Note 1), procurement of initial parts, operational and technical training (Procurement is still in progress)	9.2
		Sub-total:	55.2
(a)(ii) Speech Processing Equipment	165	(f) Communications and Recording System (Procured)	126.0
(a)(viii) Voice Recording/Playback System	23	Professional services (Note 1), procurement of initial parts, operational and technical training (Procurement is still in progress)	25.2
(a)(xi) ATC Radio Telephony Workload Monitoring System	3	Sub-total:	151.2
Sub-total:	191		
(b)(ii) Tower Simulator	28	Tower Simulator (Procured)	18.0
(a)(xvi) Contingency [New ATC system]	150	Contingency (Note 2)	58.0
(b)(iv) Contingency [New ATC operators' training/simulator system]	6		
Sub-total:	156		
Total	1,565	Total	1,452.0

Note 1: \$70 millions would be used for procuring professional services as per item (11b) of the funding paper submitted to the Finance Committee of Legislative Council in May 2007 [Paper reference: FCR(2007-08)9]. This was for the engagement of the CAD's maintenance contractor to provide on-site support/assistance in the installation, testing and commissioning of the new ATC systems.

Note 2: The entire new ATC system composes of 8 major project items, with 7 of them have been substantially completed as scheduled with no spending from the "Contingency" funds. Since the remaining ATMS project is still in progress, the CAD has reserved 10% of the total estimated contract value for "Contingency" use.