## LC Paper No. PWSC168/16-17(01)

## **Translation**

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19 May 2017

Legislative Council Secretariat 1 Legislative Council Road Central, Hong Kong (Attn: Ms Sharon Chung)

Dear Ms Chung,

## Public Works Subcommittee Supplementary Information on Kai Tak Sports Park Project

At the Public Works Subcommittee (PWSC) meeting on 17 May 2017, Hon Alvin Yeung requested the Government to provide the number of prequalified tenderers in the quoted examples of overseas major infrastructure projects which provided "bid incentives". My reply is as follows:

Major infrastructure projects overseas have been adopting bid incentive arrangements. Two examples are:

(1) The Redevelopment Project of Convention Centre in New South Wales Australia

Opened in 2016, the new International Convention Centre (ICC) Sydney is an integrated convention, exhibition and entertainment precinct. The contract value of the Project was about HK\$8.8 billion. The New South Wales (NSW) Government invited Expression of Interest (EOI) from worldwide companies for prequalification and three applications were received. After prequalification, all three submissions were shortlisted and the applicants were invited to submit tender proposals. One of the three tenderers withdrew during the request for proposal phase, reducing the number of shortlisted tenderers to two. Tenderers were informed at a later stage of the requirement to prepare comprehensive planning applications which was not previously expected. Facing a risk of unsuccessful tendering, the NSW Government provided a bid incentive of HK\$30 million to the unsuccessful tenderer which submitted a conforming tender proposal.

(2) The New Champlain Bridge Corridor Project in Montreal, Canada

The bridge is under construction and is anticipated to be commissioned in 2018. The construction of the associated works such as road works is anticipated to be completed by 2019. The contract value of Project is about HK\$23 billion. The Canadian Government invited Canadian and overseas companies to submit EOI for prequalification. Six applications were received. The Government shortlisted three tenderers after completing the prequalification, and all of them submitted tender proposals. The Government implemented a measure similar to bid incentive by providing a total of HK\$58 million to the two unsuccessful tenderers which submitted conforming proposals.

Yours sincerely,

(Original signed)

( Ms Linda Law ) for Secretary for Home Affairs