

NOTE FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

Supplementary information on 739TH – Chok Ko Wan Link Road in North Lantau

INTRODUCTION

When Members considered paper PWSC(1999-2000)79 on **739TH – Chok Ko Wan Link Road in North Lantau** at the Public Works Subcommittee meeting on 15 December 1999, the Administration undertook to provide further information on the following -

- (a) whether the construction of the link road was a subject covered by the contracts between the Government and the Walt Disney Company; and
- (b) if so, whether any delay in construction of the link road would, in part or in whole, incur liability on the part of the Government and give rise to claims for damages.

ADMINISTRATION'S RESPONSE

2. Chok Ko Wan (CKW) Link Road is a strategic highway linking the proposed Route 10 – North Lantau to Yuen Long Highway with the existing North Lantau Highway. The whole project has to be completed in 2007 to tie in with the opening of Route 10. The section of the CKW Link Road between Yam O Interchange and the roundabout at Road P2 (Penny's Bay Section) forms part of the road network in the Penny's Bay area, and should be in place before the opening of the Hong Kong Disneyland in 2005.

3. The Penny's Bay Section of the CKW Link Road needs to be completed by a certain milestone date under the Master Project Agreement with the Walt Disney Company. Such a milestone date will be set after the infrastructure construction contract has been awarded when the position is clearer and the construction time can be forecast more accurately. No compensation will

be payable in the event of delays in completion caused by force majeure events such as inclement weather, tropical cyclones No. 8 or above, black rainstorms etc. In the event of a delay in completion caused by non-force majeure events, there will be a three-month buffer period, delay beyond which will attract compensation from Government. However, the Government could recover the compensation from the contractor as liquidated damages if the delays are caused by the contractor.

Transport Bureau
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