

5 January 2000

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Government Economist's Report on 2006 Asian Games

Thank you for your letter of 24 December on this issue.

First, let me assure you that our decision not to release the Government Economist's report at this stage does not in any way detract from Government's commitment to make a successful bid to host the 2006 Asian Games. On the contrary, it is precisely because of our concern that the Hong Kong Special Administrative Region should be in the best possible position to mount a strong bid for the Games that we do not wish to disseminate prematurely the contents of the report. The release of an edited version of the report would not be helpful in this regard, as the information which Members wish to obtain regarding the potential economic impact of hosting the Games is precisely the information which we consider to be "bid sensitive".

Second, as regards the possibility that our reluctance to release the report might arouse suspicions that the evaluation is not favourable, I would like to re-state our position that support for the Asian Games bid should not be contingent upon us making a net financial or economic return on the project. The merits of hosting an event such as the Asian Games must be viewed from a wider perspective, including its effect on promoting the image of Hong Kong and on the long-term development of sport within the local community. In any event, Members of the Legislative Council

and the general public will be able to assess the degree to which the evaluation is favourable when we release the report, as promised, in the context of our detailed report to Members on the bid.

Finally, I wish to re-iterate our commitment that before endorsing the bid from the Sports Federation and Olympic Committee of Hong Kong, China to host the 2006 Asian Games, we will seek the approval of the Finance Committee of the Legislative Council for any financial commitment. We share unreservedly your view that the public and the Council have a right to be provided with information relevant to the consideration of the merits of the bid. As advised by the Secretary for Home Affairs in his letter dated 17 December, the SAR Government is committed to consulting the Finance Committee before entering into any financial commitment and it is our plan to present in March/April, before consulting the Finance Committee, a full account of the financial implications of hosting the Asian Games. This will enable Members to take a proper and measured consideration of the bid.

(Mrs Anson Chan)
Chief Secretary for Administration