

## **Information Technology and Broadcasting Panel Progress of the Cyberport Project**

### **Purpose**

This paper updates Members on progress in the Cyberport project. A chart showing the position of the key activities of the Cyberport project as at 31 January 2000 is at the Annex. In response to Members' earlier request, a new activity entitled "Project Agreement" is now added to the chart (Item 21). Highlights of the more important developments are set out in the ensuing paragraphs.

### **Gazettal of the Cyberport Project (Items 1-3 of the Chart)**

2. The proposed roadworks and the proposed sewage submarine outfall and temporary jetties were gazetted on 30 April 1999 under the Roads (Works, Use and Compensation) Ordinance and the Foreshore and Sea-bed (Reclamations) Ordinance, respectively. Six objections under the former Ordinance and one objection under the latter Ordinance were received. They were considered by the Executive Council (ExCo) on 26 October 1999 and the grounds of the objections were considered not valid. Notification of authorisation of the proposed works was gazetted on 5 November 1999.

3. The amendments to the Pokfulam Outline Zoning Plan were gazetted under the Town Planning Ordinance on 30 April 1999. A total of 14 objections and one representation were received. These were considered by the Town Planning Board (TPB) on 29 October 1999 and the grounds of the objections were considered not valid. The rezoning proposal was approved by ExCo on 14 December 1999 and was gazetted on 24 December 1999.

4. The Master Layout Plan for the Cyberport project, submitted under Section 16 of the Town Planning Ordinance, was approved by TPB on 14 January 2000.

### **Infrastructural Works (Items 4-11 of the Chart)**

5. An EIA Report regarding the Cyberport development was approved by the Environmental Protection Department (EPD) in April 1999.

This Report addressed the potential impacts of the Cyberport Development on noise, air and water quality, sewage, ecology and landscape. The Report recommended a number of mitigation measures, including erection of roadside noise barriers, application of low noise surfacing materials for some sections of the roads, use of quiet type construction equipment, watering of unpaved roads in the construction stage, construction of an on-site sewage treatment plant with deodorisation system and associated submarine outfall, and adequate planting and quality landscaping in open areas. These mitigation measures are being/will be implemented as the infrastructural works on the site progress.

6. The majority of the infrastructural works (except for the Northern Access Road) have been entrusted by the Territory Development Department (TDD) to Carlyle International Limited (Carlyle). Design of the advance ground treatment works and the road works (except for Northern Access Road which is being undertaken by TDD, the design of which is at advanced stage) has been completed and construction is in progress. Detailed design of the sewage treatment plant has already commenced, and building works are scheduled to commence in the second half of this year.

7. The approved EIA Report assumed that the conventional rock excavation method would be used and therefore did not include an evaluation on the environment impact of the alternative method of excavation by blasting. In November 1999, Carlyle submitted an application for a supplementary EIA Study Brief for the blasting proposal, as this alternative would save time and money. Carlyle is now preparing the EIA Study Report. If this Study suggests that this proposal should not be pursued because of environmental reasons, then the conventional rock excavation method will be adopted in the second half of 2000, as originally envisaged in the works programme. This would not affect the progress of the Cyberport project.

### **Superstructure Construction (Items 12 - 20 of the Chart)**

8. Detailed design for phase I of the Cyberport is in progress, to enable construction to start in the third quarter of this year. Detailed design work for Phase II will commence soon, within this quarter.

### **Project Agreement (Item 21 of the chart)**

9. Discussions with PCG on the Project Agreement are continuing.

We are aiming to conclude the Agreement in time for the Cyberworks to commence in mid 2000. Members will be briefed on the main terms of the Project Agreement after it has been concluded.

**Management (Items 22-30 of the Chart)**

10. The Cyberport will be operated in accordance with prudent commercial principles. The title of the land for the development of the Cyberport project will be vested in the three limited companies which we have set up for this purpose, namely “Hong Kong Cyberport Development Holdings Ltd”, which is wholly-owned by the Financial Secretary Incorporated, and its two wholly-owned subsidiaries “Hong Kong Cyberport Management Company Limited” and “Hong Kong Cyberport (Ancillary Development) Limited”.

11. Companies which are interested in becoming tenants at the Cyberport have continued to approach us to register their interest on a non-committal basis. So far, fifteen multinational corporations have signed letters of intent to become anchor tenants. They are Cisco, CMGI, Hewlett-Packard, Hikari Tsushin, Hua Wei, IBM, Legend, Microsoft, Oracle, Pacific Convergence Corporation, Portal, Silicon Graphics, Softbank, Sybase, and Yahoo!. Another 85 companies, mostly local ones, have registered their interest in becoming tenants. We are considering the institutional arrangements for the selection of tenants. We aim to establish the admission criteria and publish application procedures in the second half of 2000, in time for the occupation of Phase I of the Cyberport by end 2001/early 2002.

**Marketing and Promotion (Items 31-34 of the Chart)**

12. Active marketing will be launched around the time we announce our admission criteria and application procedures in the latter part of 2000. In the meantime, we are maintaining close liaison with prospective tenants and other interested groups (such as the information technology and services industry, academia and venture capitalists). We conducted two rounds of consultations in the form of discussion forum in August and in December 1999 respectively and have collected useful comments on the design and specifications for the Cyberport as well as the tenancy considerations and admission criteria.

13. Since December 1999, we have published a quarterly newsletter on the Cyberport, which is made available both on the Internet and in printed form to interested parties. We are in the process of setting up an on-line “chat room” where prospective tenants can exchange their views on the Project and on related matters which may be of interest to them.

Information Technology and Broadcasting Bureau  
February 2000

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Item	Activity	Start	End	1999				2000				2001				2002				2003				2004				2005				2006				2007							
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Project Agreement</b>																																											
21	Drafting/discussion/signing of the Project Agreement	3Q99	1Q00	■																																							
<b>Management</b>																																											
22	Set up Cyberport Company	3Q99	3Q99	■				(completed)																																			
23	Set up institutional arrangement on tenancy application	4Q99	2Q00	■																																							
24	Establish admission criteria/publish application procedures	2Q00	4Q00	■																																							
25	Consider application for Cyberport Phase I	1Q01	2Q01	■																																							
26	Tenancy agreement for Cyberport Phase I	3Q01	4Q01	■																																							
27	Consider application for Cyberport Phase II	1Q02	2Q02	■																																							
28	Tenancy agreement for Cyberport Phase II	3Q02	4Q02	■																																							
29	Consider application for Cyberport Phase III	1Q03	2Q03	■																																							
30	Tenancy agreement for Phase III	3Q03	4Q03	■																																							
<b>Marketing and Promotion</b>																																											
31	Intensive marketing activities by PCG for Cyberport Phase I	3Q00	4Q00	■																																							
32	Intensive marketing activities by PCG for Cyberport Phase II	1Q01	4Q01	■																																							
33	Intensive marketing activities by PCG for Cyberport Phase III	1Q02	4Q02	■																																							
34	General promotion by Government & Cyberport Company	3Q99	4Q07	■																																							

Note : 1Q = January - March  
2Q = April - June  
3Q = July - September  
4Q = October - December