



Date : 31st December 2007

WKCD-481

Mr. Alan Leong, SC
The Chairman
The Legislative Council Subcommittee on
West Kowloon Cultural District Development,
Legislative Council Secretariat,
3/F Citibank Tower,
3 Garden Road, Central,
Hong Kong.

Dear Sir,

I refer to the key aspects of the proposed legislation for the establishment of a statutory body on the West Kowloon Cultural District (WKCD) project presented by the Government to the Legislative Council Subcommittee.

I am pleased to see that most of the recommendations by the WKCD Committee on the structure and working of the proposed statutory body have been accepted by the Government. I have however, the following observations on the working and funding of the proposed statutory body :

(1) Interim Measures

I welcome the proposed Interim M+ to test out this innovative idea, to train professional staff as well as to educate and sustain public's interests. But what about the performing arts groups? Should there not be similar resources earmarked for local performing arts groups to raise their artistic level, strengthen their administrative and marketing capabilities so as to reach out to a wider audience?

(2) International networking

The "Design Week" this month ended with a buzz in Hong Kong. It helps to raise the awareness of WKCD in the design and architectural community worldwide. It facilitates Hong Kong designers and architects to build up an international network for future reference. Similar event should be planned for the museum and performing arts groups. We already have successful Arts Festivals but we lack high profile forum or conference with emphasis on arts administration, education and marketing for the benefits of local arts groups.

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(3) **Funding**

To achieve the programmes listed above, we need good planning as well as adequate and uninterrupted funding to sustain these activities in the years leading up to the opening of WKCD and beyond. I am therefore concerned about the suggestion of an alternative funding of paying the endowment by instalments.

If payment by instalments is tied to certain conditions being fulfilled at different stages of development, it will create uncertainty in the project. It will lead to disputes and causing further delays. This project has already suffered a lot of delays in the past and this is the last thing that the arts community in Hong Kong wants to see.

If payment by instalments is merely a payment arrangement, it will have the effect of reducing the total amount set aside for the project as the up front endowment amount is based on its net present value in 2008. With reduced funding, not only will it affect the planning and execution of the capital project, WKCD will also have to cut back spending on cultural promotion activities, training and education programmes. In the end, it will be the arts community of Hong Kong who is going to suffer.

As proposed, there are already checks and balances built in to control and ensure transparency in planning and spending of WKCD.

(4) **Funding Allocation**

WKCD is a geographically defined project, yet it has taken on itself the task of fostering and promoting the development of cultural and creative industries in Hong Kong as a whole. I fully support his pledge but will there be a special fund set aside for promoting cultural activities in Hong Kong as a whole? or will WKCD only promote cultural activities within WKCD which will benefit the general public?

(5) **Alignment**

Following from (4) above, the Government needs to examine its overall funding policy for Hong Kong's cultural activities to see how the two funding sources, one from the Government and another from WKCD can best be used to turn Hong

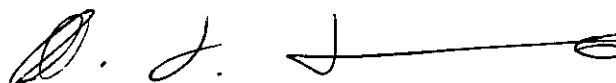
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Kong into a cultural hub. We certainly do not want to see an increase in spending in WKCD means a reduction in spending by the Government on cultural activities outside the WKCD.

The above are just my personal views as our board has not yet had the opportunity of discussing the proposed legislation.

Yours sincerely,



Vincent W.S. Lo
Chairman

VL/dky