

**Extract from minutes of special meeting on
Panel on Home Affairs on 20 July 2005**

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I. Government's proposed arrangements for co-hosting the 2008 Olympic Equestrian Events

[LC Paper Nos. CB(2)2313/04-05(01) and CB(2)2347/04-05(03)]

With the use of audio-visual equipment, the Secretary for Home Affairs (SHA) gave a presentation on the Administration's proposed venue arrangements and provision of support services and facilities for staging the 2008 Olympic Equestrian Events. It was planned that the existing sites of Penfold Park and the Hong Kong Sports Institute (HKSI) would be used to construct horse stables, equine facilities as well as horse training grounds. HKSI would also be used as the venue for staging two of the core equestrian events, namely, Dressage and Show Jumping. In addition, the Beas River Country Club and part of the Hong Kong Golf Club in Fanling would be used as the venue for the Cross-Country Events.

[*Post-meeting note* : the Administration's presentation materials were issued vide LC Paper No. CB(2)2347/04-05(03) on 21 July 2005.]

Meeting with deputations

Hong Kong Sports Institute Limited

2. Dr Eric LI, Chairman of HKSI, said that the relocation of HKSI as planned by the Administration had aroused much concern among members of the sports sector. He considered that insofar HKSI was concerned, staging the Olympic Equestrian Events had provided the opportunity to upgrade and modernise the training facilities of HKSI, and this would be conducive to the favourable long-term development of local elite sports. He added that the management of HKSI would also take the opportunity to discuss the possibility of redeveloping the institute in the long term with the Administration.

3. Dr LI said that in the last two months, there had been in-depth discussions involving the persons-in-charge and the head coaches of all National Sports Associations (NSAs). He said that the management of HKSI was committed to providing the best training environment for athletes and he noted that, with the relocation plan becoming more certain, athletes had focused on their training again. He appealed to members for their support to the future renovation and development of HKSI.

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4. Dr CHUNG Pak-kwong, Chief Executive of HKSI, said that he hoped that the Administration would conduct a comprehensive review of its long-term sports policy and work out a full range of measures for enhancing the sports development in Hong Kong.

Sports Federation & Olympic Committee of Hong Kong, China

5. Mr PANG Chung, Hon Secretary General of Sports Federation & Olympic Committee of Hong Kong, China (SF&OC), said that as the International Olympics Committee (IOC) had requested the discussions between the Beijing Organising Committee for the Games of the 29th Olympiad (BOCOG) and the Government over the proposal to relocate the 2008 Olympic Equestrian Events to Hong Kong be held on a strictly confidential basis, SF&OC had been able to learn of the progress only through media reports.

6. Mr PANG further that SF&OC was supportive of staging the equestrian events in Hong Kong, and it hoped that a coordinating committee would be set up to ensure that the events would be a success and help promote the development of sports in Hong Kong.

Other submissions received

7. Members noted that the following submissions had been received from organisations which had not sent representatives to the meeting to present their views –

- (a) submissions from the Hong Kong Sports Policy Concern Group [LC Paper Nos. CB(2)2217/04-05(01) and CB(2)2347/04-05(01)]; and
- (b) submission from the Hong Kong Elite Athletes Association [LC Paper No. CB(2)2347/04-05(02)].

Discussion

Relocation plan and arrangements for the equestrian events

8. Mr Andrew CHENG asked whether the Administration had explored if the Chinese University of Hong Kong (CUHK) had suitable venues and facilities to serve as a training ground for the elite athletes after temporary removal from HKSI in early 2007.

9. In response, Permanent Secretary for Home Affairs said that the Administration would meet with the management of CUHK the following day to discuss the matter. She said that she had initially discussed it with some of

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the senior staff members of CUHK and had learnt that CUHK might have difficulties in providing its sports venues and facilities for the exclusive use of the elite athletes, as this would greatly affect the use of such venues and facilities by the University students and the sports programmes already scheduled by the University.

10. Referring to the submission made by the Hong Kong Elite Athletes Association [LC Paper No. CB(2)2347/04-05(02)] which expressed grave concern about the relocation of HKSI, the Deputy Chairman asked Dr Eric LI whether he had striven to make the best arrangements for athletes after he had learnt that the Administration had decided to relocate HKSI. She also asked Dr LI whether he considered that he should bear responsibility for not being able to provide athletes with a training environment with up-to-international standard training facilities, as HKSI was going to be reprovisioned to YMCA Wu Kwai Sha Youth Village (WKS) only.

11. In response, Dr Eric LI pointed out that these were all Government's decisions regarding Hong Kong co-hosting the equestrian events and the choice of venue for staging the events. He said that it was only in April 2005 that the Administration had informed the management of HKSI of the possibility of staging of the equestrian events in Hong Kong and that the news had been confirmed only when IOC made the announcement about 10 days ago.

12. Dr LI further said that in the last two months, the management of HKSI had conducted several rounds of internal consultation with the persons-in-charge and the head coaches of all NSAs as well as in-depth discussions with the Administration. He pointed out that athletes had indicated that they preferred a place in Sha Tin, near to the headquarters of HKSI, to be the temporary training venue and would like to make use of the nearby supporting facilities. He informed members that after consultation with coaches and athletes of NSAs, the option of reprovisioning HKSI at WKS was considered the most feasible one. He said that the suggestion of using CUHK's venues and facilities had been raised by athletes at a late stage and the management of HKSI had not yet explored it. He considered that given that the temporary training venue was required to have a large area (8 000 square metres for the area of WKS) and for exclusive use by the athletes for two years, CUHK might not be able to accommodate. He felt that in working out the reprovisioning plan, the management of HKSI had tried its best to minimise the adverse impact of the reprovisioning of HKSI on coaches and athletes.

13. Mr Patrick LAU suggested that the Administration should provide further information on the reprovisioning plan, including photographs and architectural drawing of WKS for illustration. He requested the Administration to address the concern raised by some athletes that they might have to waste time travelling from place to place after the reprovisioning at WKS.

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14. SHA responded that the Administration could provide additional information after the meeting. He informed members that the Administration was in the stage of discussing the preliminary option of reprovisioning HKSI at WKS with the sports organisations and the persons-in-charge concerned for further refinement based on their views. He said that the Administration was committed to ensuring that the daily training of the athletes would not be affected due to the temporary relocation of HKSI. He further said that in fact, the Administration was taking this opportunity to strengthen its support for NSAs in terms of provision of training venues to further enhance their training programmes.

15. SHA pointed out that, for example, following discussions with the two NSAs for table tennis and squash, a training venue would be provided, under the reprovisioning arrangements, for the exclusive use by these two elite sports. The training venue would also provide the necessary supporting services and facilities for the elite athletes, so that the athletes would not have to spend too much time travelling from venues to venues. SHA said that such arrangements were better than those provided by HKSI and would better satisfy the need of NSAs to have their own training venue. In addition, transport service would be arranged for delivery of the athletes between WKS and the training venue. SHA added that the Administration would also work towards this direction with regard to other sports, such as windsurfing, and would do its best to meet the needs of the NSAs concerned.

16. SHA further said that like HKSI, WKS would also provide accommodation and meal as well as office and supporting services and facilities for the athletes. He pointed out that for sports like fencing, badminton and wushu, suitable training facilities would be available at WKS or at certain LCSD venues nearby.

17. Mr Patrick LAU asked whether the facilities in HKSI would be reinstated after the equestrian events. SHA responded that the Hong Kong Jockey Club (HKJC) had undertaken that after the events coming to an end in 2008, except for those newly built facilities which were found to be still of use to athletes, all facilities of HKSI would be reinstated and suitably upgraded before they were handed back to HKSI for use.

18. Mr LEE Cheuk-yan expressed dissatisfaction with the Administration's handling of the reprovisioning plan and pointed out that many elite athletes had expressed great disappointment with the reprovisioning of HKSI at WKS. He asked what alternative arrangements the Administration would make in case the elite athletes did not accept reprovisioning of HKSI at WKS. In response, SHA pointed out that the Administration had conducted in-depth discussions in the last two months with the management of HKSI, the persons-in-charge and the head coaches of all NSAs before they had agreed on the option of reprovisioning of HKSI at WKS. He reiterated that the Administration was

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still in the stage of discussing this preliminary option with the sports organisations and the persons-in-charge concerned for further refinement and amendment based on their views.

19. Ms Emily LAU shared Mr LEE Cheuk-yan's concern about the impact of the reprovisioning of HKSI at WKS on the morale of athletes and she urged the Administration to address the concerns raised by the Hong Kong Sports Policy Concern Group as set out in its submissions. She said that many athletes had expressed great disappointment with the option of reprovisioning of HKSI at WKS and she also did not see how the reprovision plan would be beneficial to the athletes in any way.

20. SHA responded that the Administration had conducted an internal assessment of the impact of the temporary reprovisioning of HKSI on athletes and it understood that the relocation would to a certain extent disrupt and affect the training of athletes. He said that the Administration would make the best effort to ensure that the reprovisioning plan would meet the training needs of the athletes. Moreover, the Administration would take this opportunity to enhance its support to the NSAs of elite sports. He said that for example, while there were only eight to 12 table tennis tables at HKSI, there would be 12 to 18 table tennis tables at the Cornwall Street Squash and Table Tennis Centre, which would be the training base for the use by the Hong Kong Table Tennis Association.

21. Dr Eric LI said that the concern felt by the athletes about the relocation of HKSI should not be underestimated. He noted that the Administration would supplement the facilities of WKS by providing other suitable training venues for the exclusive use by some of the NSAs of elite sports, in order to ensure that the elite athletes would not be adversely affected by having to move out of HKSI. Dr LI further said that apart from the "hardware", the "software" (e.g. supporting services and overseas training opportunities) was of the same importance, and the management of HKSI had consulted every NSA about its training needs in this respect and had reflected their views to the Administration. He said that the Administration had agreed to actively consider their views.

22. Ms Emily LAU asked whether the Administration had conducted any feasibility study for the proposed venue arrangements and whether it had worked out the budget of staging the events or conducted any assessment on the cost-effectiveness. Referring to a letter from the Greenpeace to SHA, Ms LAU also asked whether the Government would have to sign a contract for staging the equestrian events and if so, whether the contract could be made public. She pointed out that at the meeting of the Subcommittee to Follow Up the Outstanding Leisure and Cultural Services (LCS) Projects of the Former Municipal Councils on the previous day, representatives of Sha Tin District Council (STDC) had expressed grave concern about the Administration's

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decision of re-allocating some LCS facilities at Ma On Shan, which had very high utilisation rates, for use by athletes in connection with the staging of the equestrian events.

23. SHA responded that HKJC had commissioned an internationally accredited equestrian architectural consultant, which had conducted detailed site investigation and studies before recommending that the Penfold Park and HKSI adjacent to the Sha Tin Racecourse were the most ideal sites for staging the events. SHA explained that one of the considerations was that the Sha Tin Racecourse was well equipped with core supporting facilities which could provide efficient and cost-effective back-up services for the equestrian events. He pointed out that this was the most important consideration for the site selection and the main reason for staging the events in the vicinity of such facilities. In response to Ms LAU, SHA agreed to request HKJC to provide the findings of the consultancy study for members' reference.

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24. SHA further said that the Government would have to discuss details of the contract with BOCOG and would provide further information after working out the details. Ms Emily LAU requested information to be provided by the Administration on the terms and conditions of the contract.

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25. In response to Mr Albert CHAN's enquiry about why the construction of the arena could be delivered in as early as 2008, SHA said that it was because HKJC would be responsible for the construction. He explained that the delivery of public capital works projects usually took a much longer time as they had to go through all the procedures of public works programmes. Mr Albert CHAN expressed worry that the Administration, in treating the equestrian events with top priority, would neglect the needs and sacrifice the interests of athletes of other elite sports who also needed to prepare for other competition events of the 2008 Olympic Games. He urged the Administration to make the best efforts to meet the training needs and requirements of these athletes as well.

26. Dr Fernando CHEUNG took the view that under the above proposed arrangements, the interests of not only the elite athletes but also the general public would be compromised as a result of the relocation of HKSI and the shutdown of some LCS facilities, e.g. the Penfold Park, a large part of WKS and LCS facilities elsewhere. He asked whether the Administration would take measures to compensate members of the public in this regard.

27. SHA said that by staging the equestrian events, the Administration wished to provide an opportunity to foster the development of sports culture in Hong Kong and enhance social cohesion. He further said that there was already a plan to enhance the facilities at WKS, which would be retained for public use after athletes moving back to HKSI at the end of 2008. He further pointed out that after the equestrian events, the Penfold Park would also

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provide an equestrian arena for horse-riding by members of the public and for the disabled. The Administration had reported such a plan to STDC. He added that the Administration would also explore with CUHK the possibility of opening its venues and facilities for public use to make up for the shutdown of LCS facilities within the district.

28. Dr Fernando CHEUNG further asked whether the Administration had a plan for redeveloping HKSI. SHA responded that the Administration also aimed at seizing the opportunity of staging the equestrian events to upgrade and modernise the training facilities in HKSI. He informed members that a task force, under the joint chairmanship of Dr Eric LI and the Vice-chairman of the Elite Sports Committee, had been set up to conduct a comprehensive review of existing facilities at HKSI and make recommendations on the long-term development of HKSI to the Sports Commission and the Government in about six months' time.

Financial arrangements

29. SHA said that the Government had reached a consensus with BOCOG that the arena construction cost of \$800 million would be borne by HKJC while other direct cost incurred in the equestrian events would be borne by BOCOG. He said that it had been agreed that the cost of the reprovisioning exercise would be borne by BOCOG. The budget of the reprovisioning exercise, however, had yet to be worked out.

30. Mr James TO asked whether Hong Kong would get a share of the revenue derived from television rights and sale of merchandise products to be generated from staging the equestrian events. SHA responded that this matter would have to be further discussed with BOCOG to work out the details. Mr PANG Chung of SF&OC also said that up to the present moment, there had been no information in this respect. Mr TO considered that public money would inevitably have to be spent on staging the equestrian events and, in his view, the money spent by HKJC was also to a certain extent public money. He said that Hong Kong should get a fair share of the revenue to be generated from staging the equestrian events. SHA responded that the Administration would have to further discuss the detailed financial arrangements with BOCOG and undertook that the Administration would report to Panel on any progress made.

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31. Dr Fernando CHEUNG queried how the Administration could justify allowing HKJC, which was a charitable organisation, to spend such a large sum of money of \$800 million on the construction of the arena when various social welfare services had encountered substantial cut in resources in the last two years. He considered that the money could have been better spent on provision of welfare services for people in need.

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32. SHA responded that according to HKJC, the \$800 million was not to be allocated from HKJC's charitable fund but its development fund. Therefore, there should be no impact on the annual allocations made by HKJC for charity purpose.

Long-term sports development

33. Mr Patrick LAU considered that the reprovisioning plan should tie in the plan on long-term sports development in Hong Kong. In response to Mr LAU's enquiry about the Administration's plan in this regard, SHA said that the Administration had conducted a review on sports policy in 2002. He said that the Administration's policy objective was to promote the community's interest and capability in sports. He further said that with a view to pursuing the new vision for sports development in Hong Kong, the Sports Commission had been established on 1 January 2005 and it had three functional committees under it, namely, the Community Sports Committee, the Major Sports Events Committee and the Elite Sports Committee. Mr LEE Cheuk-yan criticised the Administration for providing inadequate support and assistance to foster the development of local elite sports. SHA said that he welcomed an early opportunity to discuss the policy on the long-term development of sports, including development of elite sports, with the Panel.

Use of three pieces of land adjoining HKSI and the Sha Tin Racecourse

34. The Chairman said that the Liberal Party was supportive of staging the equestrian events in Hong Kong. Referring to recent media reports, the Chairman said that the Liberal Party was, however, concerned whether there were any agreements reached between the Government and HKJC that HKJC, by paying the arena construction cost of \$800 million, would be allowed to retain the long-term use of the above three pieces of land. The Chairman further said that if that was the case, the Liberal Party would oppose it and would prefer the Administration applying to the Legislative Council (LegCo) for the necessary funds through the standard procedure.

35. Referring to the last paragraph of the Administration's paper [LC Paper No. CB(2)2313/04-05(01)], the Chairman requested the Administration to explain the Government's view on the long-term use of the three pieces of land in question after the 2008 Olympic Equestrian Events and to confirm whether it had reached any agreements with HKJC. The Chairman also expressed concern as to whether HKSI would be affected by any changes in the long-term use of these three pieces of land.

36. SHA clarified that the Government had not reached any agreements with HKJC on the long-term use of the three pieces of land. He stressed that HKJC had agreed to bear the arena construction cost of about \$800 million without any conditions. SHA further said that, however, IOC and the Federation

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Equestrian Internationale (FEI) also wished to see that the built equestrian facilities would be retained after the events for good use and resource optimisation so that the community could benefit from the legacy value of the facilities. SHA added that the Administration, however, had not come to a view on such an option.

37. SHA further said that that the Government was of the view that the long-term use of the three pieces of land after the 2008 Olympic Equestrian Events should be handled in accordance with standard government procedure. He pointed out that should HKJC wish to retain the facilities built on the three pieces of land for future use upon completion of the Olympic Equestrian Events, HKJC would be required to submit an application with detailed justifications to the departments concerned and go through standard procedure under the existing mechanism, including the approval by the Executive Council (ExCo).

38. Mr Andrew CHENG said that the Democratic Party also supported the Administration co-hosting the 2008 Olympic Equestrian Events. He, however, expressed worry as to whether the Government actually had the intention to let HKJC retain the facilities (e.g. about 200 horse stables) built on the three pieces of land for use upon completion of Olympic Equestrian Events. Mr CHENG also expressed concern that when HKJC submitted such an application to the Government, it would be considered by ExCo only and not by LegCo. Mr CHENG further said that if HKJC was really allowed to retain the facilities, this might pave the way for HKJC to conduct all-year-round horse racing, and would adversely impact on the established policy on land use control as well as the long-term development of HKSI. Mr CHENG added that as regards the view expressed by IOC and FEI as cited by SHA above, the Administration should take into consideration the fact that equestrian events did not prove to be very popular in Hong Kong.

39. In response, SHA reiterated that the Government had not reached any agreements with HKJC concerning the long-term use of the three pieces of land. He said that if HKJC applied for retaining the facilities built on the three pieces of land for future use upon completion of the Olympic Equestrian Events, HKJC would have to justify its application by explaining why this would be in the interest of the public. He added that the HKJC chairman, at a recent press conference, had made it clear that HKJC's intention to retain the facilities built on the three pieces of land for future use after completion of the equestrian events had nothing to do with conducting all-year-round horse racing.

40. Assistant Director (NT) (Lands Administration Office/Headquarters) (AD(NT)) of the Lands Department supplemented that if HKJC submitted an application to retain the facilities built on the three pieces of land for future use, departments concerned including the Home Affairs Department, the Drainage Services Department and other technical departments would be consulted to see

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if they had any objections. He explained that if the proposed use of the land did not contravene the relevant Outline Zoning Plan, according to which the land being zoned as “Government, Institution or Community” (“G/IC”), it would not be necessary to seek the approval of the Town Planning Board. He added that anyway the application would have to be considered by ExCo.

41. Mr LEE Cheuk-yan expressed concern that if the proposed use of the land was for retention of the facilities built on the three pieces of land for future use, this might not be regarded as in contravention of the prescribed land use and, if that was the case, the application would have to be approved by ExCo only. He suggested that, in order to ensure transparency of the scrutiny process of HKJC’s application, the application, if submitted, should also have to be approved by LegCo. Mr Andrew CHENG also considered that consultation with LegCo and STDC would be necessary before any decision was made on the future use of the three pieces of land after completion of the equestrian events.

42. In response, SHA pointed out that this would deviate from the standard procedure. AD(NT) explained that as there was very limited information about HKJC’s plan, such as details of the facilities to be built on the land and whether the facilities, if retained, would be open to the public, it could not be determined at the present stage whether the suggested land use would be regarded as in contravention of the prescribed land use or not.

43. Mr LEE Cheuk-yan requested the Administration to give an estimate of the actual value of the three pieces of land in question. AD(NT) responded that since the land use was zoned “G/IC”, there had not been any estimate made by the Administration regarding the value of the land involved.

44. Dr Eric LI said that the Board of Directors of HKSI as well as heads of NSAs of elite sports, coaches and athletes all supported staging the equestrian events in Hong Kong and it was in this spirit that they had accepted reprovisioning of HKSI. Dr LI further said that it was the consensus between the Board of Directors of HKSI and the Administration that at the end of 2008, HKSI would recover its original site in whole. Moreover, any unwanted facilities built on the site would be removed and the overall facilities had to be no worse off than the present. Dr LI added that the Board of Directors of HKSI considered that the HKJC’s suggestion regarding the retention of the facilities built on the three pieces of land for future use was only a hypothetical question at the present stage, and the Board of Directors of HKSI reserved all its right of opposition.

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