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密 件 CONFIDENTIAL

Written Statement of Mr Leung Chun-ying (also known as CY Leung)
("Mr Leung")

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This statement contains a synopsis setting out the events that Mr Leung can recall with the help of documents in his possession, which are also relevant to the Select Committee's study of Mr Leung's involvement as a member of the jury in the West Kowloon Reclamation Concept Plan Competition ("Competition") and related issues ("Study").

#### PROVISO:

Mr Leung emphasizes that the synopsis is mainly based on his recollection of events some ten years ago with the help of documents still in his possession. Mr Leung has left DTZ on 31 January 2012 and his personal file is incomplete. Mr Leung has not had the opportunity to review the documents kept by the government in relation to the Competition, except those already disclosed before the setting up of the Select Committee.

### Invitation & Acceptance

- 1. On or about 9 March 2001, Mr Leung received a letter from Mr P.L. Po, the then Coordinator of the Competition stating that the organizers were most delighted and honoured that he had indicated his interest to act as a member of the panel of jurors for the Competition. A draft competition document together with a tentative action plan on the Competition was attached to the letter for Mr Leung's personal reference.
- 2. On or about 9 March 2001, Mr Leung received a letter from Mr C.H. Tung, the then Chief Executive of the HKSAR, inviting him to serve as a member of the panel of jurors for the Competition.
- 3. On or about 13 March 2001, Mr Leung wrote to Mr. C.H. Tung accepting the

invitation to serve as a member of the panel jurors for the Competition.

4. On or about 19 March 2001, Mr Leung received a fax dated 10 March 2011 signed by one Mr Yuen Lup-fun of the Task Force for the Competition, asking Mr Leung to send a copy of his curriculum vitae both in English and Chinese, as well as a color photo of himself 'for publicity purpose'. A curriculum vitae of Mr Leung prepared by the Task Force was also enclosed based on what Task Force had found from DTZ's website. The curriculum vitae described Mr Leung's occupation as the "Chairman, DTZ Debenham Tie Leung Limited".

### Between April and August 2001

- Between April 2001 and August 2001, Mr Leung received several letters from the organizers informing him of the progress of the preparation work, registration for the Competition and the tentative dates of jury meeting for the Competition from 25 to 28 February 2002.
- 6. On or about 6 August 2001, Mr P. L. Po informed Mr Leung by a letter that Mr Eric Johnson would take over the post of Coordinator of the Competition from 8 August 2001 onwards.

## 2002 to 2003

- 7. On or 9 January 2002, Ms Agnes Tang for the Coordinator of the Competition wrote to Mr Leung informing him that, (a) the organizers received 161 submissions, (b) the Technical Panel's Report was being finalized and would be submitted to Mr Leung for his perusal together with the 161 submissions before the end of January 2002, and (c) the jury meetings of the Competition was scheduled to take place at the Exhibition Hall of the Hong Kong City Hall from 25 to 28 February 2002.
- 8. On or about 29 January 2002, Mr Eric Johnson sent Mr Leung the 161 entries and the Technical Panel Report. All the entries were assigned a serial number for the purpose of maintaining anonymity. The entries were put into three categories. Category 1, consisting of two sub-categories -(a) and (b), contained those entries that generally met the Competition Brief; category 2 contained



those entries that failed to meet the Brief in important respects; and category 3 contained those entries that disqualification had been recommended by the Technical Panel for non-compliance with the Competition rules.

- 9. On or about 8 February 2002, Mr Eric Johnson wrote to Mr Leung enclosing a draft proposed programme for jury meetings.
- 10. On or about 21 February 2002, Mr Eric Johnson faxed to Mr Leung a letter attaching a revised proposed programme for jury meeting which was approved by the Chairman of the jury and the Secretary for Planning and Lands. One of the points raised in the letter was that for the first time all jurors were requested to complete a declaration form similar to the one used by all members of the Technical Panel, and Mr Bill Lacey, the professional advisor, for the purpose of 'conflict of interest notification'.
- 11. Pursuant to the request to make a declaration of conflict of interest, and in accordance with his practice for checking against potential conflict of interest at the time, Mr Leung telephoned a staff member of the Quarry Bay DTZ office between 21 and 23 February 2002 to check whether DTZ had recently done or was in the course of doing any jobs in relation to the West Kowloon Reclamation. The staff member later called back to confirm that there was no such record in the book indicating that DTZ had been retained and/or was in the process of carrying out work for retained clients in relation to the West Kowloon Reclamation. Due to the passage of time, Mr Leung cannot verify which staff member in the Quarry Bay DTZ office informed him that there was no such record after performing a conflict search.
- 12. On 24 February 2002, the jurors viewed the entry's presentation boards at City Hall.
- 13. On 25 February 2002, the jurors met to deal with preliminary matters in relation to the Competition. Mr Leung also submitted his Declaration ("Mr Leung's Declaration") to the organizers on the same day.
- 14. On 26 and 27 February 2002, the jurors met and selected the winners of the first and second prizes, and the three honorable mentions.

- 15. With the help of his letter dated 11 March 2002, Mr Leung is able to recall that, in the morning of 28 February 2002, when Mr Leung was together with other jurors. Mr Bosco Fung (the then Director of Planning) approached him and asked him to call Mr John Tsang, the then Secretary for Planning and Lands. Mr Leung then called Mr John Tsang and was told that DTZ was named as property advisors by one of the entrants of the Competition.
- 16. Mr Leung told Mr John Tsang that he was not aware of that. Mr John Tsang asked Mr Leung to ask Mr Eric Johnson for the names of the DTZ personnel named in the submission of that entrant. Mr Leung then spoke with Mr Eric Johnson and was told that Mr KK Chiu of DTZ was one of them.
- 17. Mr Leung then telephoned Mr KK Chiu who passed it to his colleague Mr KB Wong also of DTZ.
- 18. Mr Leung had a brief telephone discussion with Mr KB Wong, after that Mr Leung took the first opportunity to report his finding to the Jury that morning. The jury decided to disqualify an entry ("The Entry Concerned"). Mr Leung undertook to revert to the organizers on the role of DTZ in respect of The Entry Concerned.
- 19. Mr Leung asked DTZ to deliver the file in question to his office at Jardine House in Central for his review. According to his letter of 11 March 2002, the file revealed that:
  - a. DTZ was approached by Davis Langdon & Seah ("Langdon"), a firm of quantity surveyors, in September 2001, to provide land value, on a no fee basis, based on the schedule of accommodation and free-hand sketches of a design concept;
  - b. Mr KB Wong wrote to LWK & Partners ("LWK") on 18 September 2001, providing his opinion on land premium for retail, residential, hotel and office uses. The last paragraph of that letter stated that "the estimations are however rough ball park indications and are not subject to the terms of sale and other development conditions. They are based on current market prices. It is also important to note that the factor of time value (i.e. the effect of discounting the future land sale revenue to

present day value) has not been reflected in the above calculation."

- c. In response to queries by Langdon, Mr KB Wong wrote the second and last letter on 25 September 2011, clarifying certain assumptions used in his earlier letter.
- d. There had been no agreement or understanding between DTZ and Langdon or anyone else for any future role or fees in respect of that exercise. Neither was there any indication or promise for future work if the entrant should win the Competition.
- e. On 25 September 2001, a secretary of DTZ faxed over information about DTZ and brief curriculum vitae of Mr KK Chiu, Mr KB Wong and two other DTZ personnel. The names were all under the heading of "The key personnel who worked on the project". That was the end of DTZ's correspondence and involvement with the entry in question.
- 20. By his letter to Mr Eric Johnson dated 11 March 2002, Mr Leung recapped what he told the organizers previously on 28 February 2002, and that before that day, he was not aware of the matters stated in paragraph 19 above. Mr Leung also provided a full list of companies in the DTZ group, in which DTZ was the main operating company, in his letter of 11 March 2002.
- 21. On 23 March 2002, Mr Eric Johnson wrote to Mr Leung thanking him for his letter of 11 March 2002 and indicated to him that he would inform Lord Rothschild that Mr Leung had provided the supplementary declaration as agreed upon when the matter was discussed on 28 February 2002.
- 22. On or about 30 May 2002, Mr Leung received the draft Jury Report from Mr Li Ho-kin (for Secretary for Planning and Lands) for his comment. In a letter of that date, Mr Li Ho-kin informed Mr Leung that Mr Bill Lacy and Lord Rothschild were content with the draft.
- 23. On or about 8 July 2002, Mr Eric Johnson informed Mr Leung that some jurors, namely Mrs Salina Chow, Professor Peter Droege, Mr Peter Rogers and Professor Peter Rowe had replied to the effect that the draft was in order. The suggestion of another juror Mr Nicholas Brooke has also been taken on board

by Mr Eric Johnson.

- 24. On or about 19 August 2002, Mr Eric Johnson informed Mr Leung that the other jurors Professors Chang Hsin-kang, Patrick Lau and Wu Liangyong had sent brief replies to the effect that they found the draft in order.
- 25. On or about 19 August 2002, Mr Leung informed Mr Eric Johnson that he had no comment on the draft report of the Jury.
- 26. In respect of another matter which was unrelated to the Competition, Mr Leung sent a letter to the Executive Council of HKSAR on or about 9<sup>th</sup> June 2003 stating that he was a juror in the Competition and DTZ was named 'Property Advisers' of one of the entrants of the Competition which was not one of the winners in the Competition.

Dated 16th March 2012

Mr LEUNG Chun-ying (also known as CY Leung)