

立法會
Legislative Council

LC Paper No. CB(1)411/16-17

(These minutes have been
seen by the Administration)

Ref : CB1/PL/DEV

Panel on Development

Minutes of meeting
held on Tuesday, 22 November 2016, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Tommy CHEUNG Yu-yan, GBS, JP (Chairman)
Hon Kenneth LAU Ip-keung, MH, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon CHAN Kin-por, BBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki

Hon Dennis KWOK Wing-hang
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon KWOK Wai-keung
Dr Hon CHIANG Lai-wan, JP
Hon CHEUNG Kwok-kwan, JP
Dr Hon CHENG Chung-tai
Hon Nathan LAW Kwun-chung

Public officers attending : **Agenda item III**
Ms Jasmine CHOI Suet-yung
Principal Assistant Secretary for Financial Services and
the Treasury (Treasury) (Works)
Financial Services and the Treasury Bureau

Mr Joseph LO Kwok-kuen
Chief Assistant Secretary (Works)1
Development Bureau

Miss Cheryl CHOW Ho-kiu
Principal Assistant Secretary (Planning & Lands)2
Development Bureau

Mr Tony MOYUNG Hon
Assistant Director (Acquisition)
Lands Department

Ms Joyce NG Suet-yee
Chief Estate Surveyor (Acquisition)
Lands Department

Mr Dennis LAW Kar-cheuk
Chief Property Services Manager (3)
Architectural Services Department

Mr Edwin TONG Ka-hung, JP
Director of Drainage Services

Mr LAM Sai-hung, JP
Director of Civil Engineering and Development

Mr Samson LAI Yiu-kei
Assistant Director (Waste Management Policy)
Environmental Protection Department

Ms Betty CHEUNG Miu-han
Assistant Director (Environmental Infrastructure)
Environmental Protection Department

Mr CHUI Wing-wah
Deputy Director of Highways

Mr Kelvin LO Kwok-wah
Project Manager/Major Works
Highways Department

Mr NG Wai-keung
Chief Engineer 1/Major Works
Highways Department

Ms Charmaine WONG Hoi-wan, JP
Assistant Director (2)
Home Affairs Department

Mr Martin KWAN Wai-cheong
Chief Engineer (Works)
Home Affairs Department

Miss Winnie WONG Ming-wai
Deputy Secretary-General (1)
University Grants Committee Secretariat

Mr LEE Kam-yuen
Chief Maintenance Surveyor (School Premises
Maintenance)
Education Bureau

Ms PING Tak-wai
Senior Maintenance Surveyor (School Premises
Maintenance)
Education Bureau

Mr KOK Che-leung
Assistant Director (Subventions)
Social Welfare Department

Ms PANG Kit-ling
Assistant Director (Elderly)
Social Welfare Department

Mr Kenneth WOO Chi-man
Chief Executive Officer (Subventions/Planning)
Social Welfare Department

Mr Enoch LAM Tin-sing, JP
Director of Water Supplies

Mr Kenneth LEUNG Tak-yan
Chief Civil Engineer (Public Works Programme)
(Acting)
Transport and Housing Bureau

Agenda item IV

Mr HON Chi-keung, JP
Permanent Secretary for Development (Works)

Ms Brenda AU Kit-ying
Head of Energizing Kowloon East Office
Development Bureau

Mr Frank WONG Tak-choi
Deputy Head of Energizing Kowloon East Office
Development Bureau

Ms YING Fun-fong, JP
Head (Kai Tak Office)
Civil Engineering and Development Department

Agenda item V

Mr HON Chi-keung, JP
Permanent Secretary for Development (Works)

Mr Vincent MAK Shing-cheung, JP
Deputy Secretary (Works)²
Development Bureau

Mr LAM Sai-hung, JP
Director of Civil Engineering and Development

Mr Robin LEE Kui-biu, JP
Project Manager (Hong Kong Island and Islands)
Civil Engineering and Development Department

Clerk in attendance : Ms Sharon CHUNG
Chief Council Secretary (1)²

Staff in attendance : Miss Rita YUNG
Senior Council Secretary (1)2

Mr Raymond CHOW
Senior Council Secretary (1)6

Ms Mandy LI
Council Secretary (1)2

Ms Christina SHIU
Legislative Assistant (1)2

Action

- I Information paper issued since the last meeting**
(LC Paper No. CB(1)146/16-17(01) — List of tentative discussion items for the 2016-2017 session proposed by the Administration)

Members noted that the above information paper had been issued since the meeting on 8 November 2016.

2. Mr CHU Hoi-dick referred to the email dated 19 November 2016 from seven Panel members to the Chairman expressing views on the agenda of the meeting (LC Paper No. CB(1)159/16-17(01)). He pointed out that at the last meeting on 8 November 2016, in view of time constraints, the discussion on the item "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" ("HK2030+") had not commenced and had been deferred to this meeting. He was disappointed that the discussion on HK2030+ had subsequently been further deferred to the meeting to be held in December 2016. He further said that, in view of the controversies aroused by the proposed public housing development at Wang Chau, it was inappropriate for the Administration to include the two items relating to the development at Wang Chau in the funding proposal "Capital Works Reserve Fund Block Allocations for 2017-2018" and seek the support of the Panel for the proposal. Dr KWOK Ka-ki, Mr Andrew WAN and Ms Tanya CHAN echoed Mr CHU's views. They said that the Panel should not make a decision on any funding proposal relating to the land planning proposals under HK2030+ (such as the staffing proposal on the establishment of the Sustainable Lantau Office on the agenda of the meeting) or the development at Wang Chau until the Panel had discussed HK2030+,

which concerned the direction of land development in Hong Kong. Dr KWOK Ka-ki considered that the Administration had not consulted the public on HK2030+.

3. Mr LAU Kwok-fan did not agree to the view that the Administration had not consulted the public on HK2030+. He said that the Administration had launched a public engagement exercise for HK2030+ to canvass public views. Public forums, topical discussions, briefings, thematic and roving exhibitions, etc. had been or would be arranged to enhance public understanding of Hong Kong 2030+ and facilitate focused and informed deliberation on the subject.

4. The Chairman said that the email referred to by Mr CHU Hoi-dick was sent out on last Saturday (19 November). He had to consider carefully whether he should change the agenda items for the meeting, which required the attendance of relevant government officials, at such a short notice. Given that the public engagement exercise for HK2030+ lasted six months until end-April 2017, the Chairman said that there was no great urgency in discussing HK2030+.

II Items for discussion at the next meeting

(LC Paper No. CB(1)133/16-17(01) — List of outstanding items for discussion

LC Paper No. CB(1)133/16-17(02) — List of follow-up actions)

5. Members agreed that the next regular meeting scheduled for Tuesday, 20 December 2016, at 9:00 am would be extended to end at 12:15 pm to discuss the following items proposed by the Administration:

- (a) PWP Item No. 3185GK — Re-provisioning of Transport Department's Vehicle Examination Centres at Tsing Yi;
- (b) PWP Item No. 3794CL — Demolition of existing superstructures at Caroline Hill Road site, Causeway Bay; and
- (c) Hong Kong 2030+.

(Post-meeting note: As the discussion on "staffing proposal on establishment of the Sustainable Lantau Office and re-organization of the existing Development Offices of the Civil Engineering and Development Department" (item V of this

meeting) has not finished at the meeting, the item has been deferred to the next meeting. On the advice of the Chairman and after consulting members, the next meeting, originally scheduled for 20 December 2016, has been re-scheduled to Friday, 16 December 2016, from 8:45 am to 12:45 pm. Members were informed of the above arrangements on 30 November 2016 vide LC Paper No. CB(1)208/16-17.)

6. Mr CHU Hoi-dick suggested that the discussion time for the agenda item HK2030+ should be at least 2 hours. The Chairman said that the discussion on HK2030+ in the December meeting was only a start. The Panel would hold a special meeting to receive public views on HK2030+. Further meetings for discussing HK2030+ could be arranged if necessary. In response to Ms Tanya CHAN's enquiry, the Chairman advised that the discussion time for the agenda item HK2030+ at the December meeting would be 1 hour 5 minutes, which was the same as the time originally allocated for the item for the meeting on 8 November 2016.

III Capital Works Reserve Fund Block Allocations for 2017-2018

(LC Paper No. CB(1)133/16-17(03) — Administration's paper on Capital Works Reserve Fund Block Allocations for 2017-2018)

Other relevant paper

(LC Paper No. CB(1)159/16-17(01) — Email dated 19 November 2016 from seven Panel members)

7. At the invitation of the Chairman, Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works), Financial Services and the Treasury Bureau ("PAS(Tsy)(W)/FSTB"), briefed members on the funding proposal to be submitted to the Public Works Subcommittee ("PWSC") and the Finance Committee ("FC") for the Capital Works Reserve Fund ("CWRF") block allocations for 2017-2018, which comprised a total allocation of \$12,420.2 million for the block allocations, proposed revision to the ambit of Subhead 6101TX under Head 706, and increasing the approved allocation for Subhead 9100WX under Head 709 for 2016-2017 by \$68.2 million. The details of the

funding proposal were given in the Administration's paper (LC Paper No. CB(1)133/16-17(03)).

8. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Head 701 Land Acquisition — Subhead 1100CA — Compensation and ex-gratia allowances in respect of projects in the Public Works Programme

Public housing development at Wang Chau

9. Dr KWOK Ka-ki opined that, in view of the recent controversies aroused by the proposed public housing development at Wang Chau, Yuen Long, and the issue would be discussed by LegCo's committees, it was inappropriate for the Administration to include the items "resumption of land for development at Wang Chau, Yuen Long" and "road works — site formation and infrastructure works for development at Wang Chau, Yuen Long" (collectively referred to as "the two items relating to development at Wang Chau") in the block allocations proposal and seek the support of the Panel for the proposal. As such, he urged the Administration to take out the two items relating to development at Wang Chau from the proposal. Mr CHU Hoi-dick and Mr CHAN Chi-chuen echoed Dr KWOK Ka-ki's views.

10. Mr CHU Hoi-dick further pointed out that the block allocations proposal for 2016-2017 had included items "site formation and infrastructure works for development at Wang Chau, Yuen Long" and "road works for site formation and infrastructure works for development at Wang Chau, Yuen Long", and FC had approved the proposal in the last legislative session without raising questions on the issues relating to development at Wang Chau. He urged that members should not approve the proposal this time without raising queries on the Wang Chau project.

11. PAS(Tsy)(W)/FSTB said that the Government did not intend to take out the two items relating to development at Wang Chau from the funding proposal, as it would go against the purpose of establishing the CWRP block allocations, namely making more efficient use of the meeting time of FC and PWSC. Assistant Director (Acquisition), Lands Department ("AD(Acquisition)/LandsD"), advised that to tie in with

Phase 1 of Wang Chau public housing development, it was necessary for the Administration to make provision under Head 701 Subhead 1100CA of CWRP for the costs for land acquisition. Chief Civil Engineer (Public Works Programme) (Acting), Transport and Housing Bureau ("CCE(PWP)(Atg)/THB"), supplemented that the Administration had followed the established practice when resuming the Government land at Wang Chau for road construction and infrastructure works for the public housing development.

12. Mr Andrew WAN held the view that, in the face of the fiasco associated with the proposed public housing development at Wang Chau, it was more important for members to safeguard public interest than to stick to the original purpose of establishing the CWRP block allocations.

13. PAS(Tsy)(W)/FSTB replied that the estimated expenditure for the two items relating to development at Wang Chau in the block allocations proposal was for the land acquisition costs only, but not the cost of the infrastructure project. If the cost of an individual public works project exceeded \$30 million, the Administration would submit a separate funding proposal to PWSC and FC for approval.

14. Mr LEUNG Kwok-hung opined that members should not support the funding for the two items relating to development at Wang Chau, as the development involved a transfer of benefits to a government-commissioned consultant and a land developer. Mr LAU Kwok-fan enquired, if the two items were taken out from the funding proposal, how long the public housing project would be delayed. CCE(PWP)(Atg)/THB replied that the two items were to support the land resumption work in advance of the site formation and infrastructure works for Phase 1 of Wang Chau public housing development. If these items were to be taken out, the housing development programme would be deferred and it would be difficult to meet the keen demand of the community for public housing development.

15. Director of Civil Engineering and Development ("DCED") explained that, in case funding for the two items relating to development at Wang Chau under the block allocations proposal could not be obtained, the progress of the works would be affected and consequently, the implementation of Phase 1 of Wang Chau public housing development, which would provide about 4 000 public housing units, would be delayed. Mr LAU Kwok-fan appealed to other members for their support for the two items.

16. Referring to the expenditure for the item "resumption of land for development at Wang Chau, Yuen Long" totalling \$203.7 million, Mr CHU Hoi-dick sought information about the breakdown of the expenditure in terms of the amount payable to the affected land owners and squatter occupants, as well as the amount for compensation to farmers. Mr Andrew WAN also sought details about the compensation payable to affected parties.

17. AD(Acquisition)/LandsD advised that the Administration would follow the established mechanism when making compensation to those affected by the public housing development at Wang Chau. Depending on the compensation option chosen by an affected party, the compensation amount payable would vary. As for the compensation to the land owners affected by the public housing development, the amount was estimated to be around \$160 million.

18. In view of the incident that Ove Arup & Partners Hong Kong Ltd ("OAP"), a government-commissioned consultant, was found to have quoted confidential information obtained from the government consultancy agreement on Wang Chau development in the planning application of a private development project, Dr Fernando CHEUNG asked what measures the Administration would take to prevent the recurrence of similar incidents in future. Dr CHEUNG also sought information on (a) the number of government consultancy contracts being carried out by OAP at present and the total value of these contracts; (b) whether the Administration would investigate if other government-commissioned consultants/land developers were also involved in improper use of confidential information; if yes, when the investigation result would be available; and (c) whether the Administration would impose penalties on those consultants/land developers who were involved in breaching the terms or conditions of a government consultancy agreement.

19. DCED responded that the Administration had suspended OAP from tendering for all categories of consultancy agreements under the jurisdiction of the Engineering and Associated Consultants Selection Board ("EACSB") for three months, from 7 November 2016 to 6 February 2017 in accordance with established procedures. To prevent the recurrence of similar incidents, the Administration further issued a memorandum requesting all works and related departments to remind the commissioned consultants to comply strictly with the "confidentiality" and "conflict of interest" provisions in consultancy agreements.

Moreover, the Administration was also investigating if there were similar incidents of improper use of confidential information by other commissioned consultants. Dr Fernando CHEUNG was unconvinced that the issuance of a memorandum by the Administration was sufficient to deal with the problem.

Penny's Bay reclamation

20. Noting that the reclamation at Penny's Bay had been completed for years, Ms Tanya CHAN enquired (a) why the Administration would have to allocate a sum of \$1,061 million to the item "Penny's Bay reclamation" under Head 701 Subhead 1100CA; and (b) whether further compensation payment related to acquisition of land under this item would be required.

21. AD(Acquisition)/LandsD explained that the item was for making compensation payment to the land owners affected by reclamation at Penny's Bay due to the extinguishment of right of access to the sea. He advised that there was only one outstanding compensation claim under the item "Penny's Bay reclamation".

Head 705 Civil Engineering — Subhead 5101CX — Civil engineering works, studies and investigations for items in Category D of the Public Works Programme

22. Mr Alvin YEUNG noted that the estimated expenditure for the item "engineering feasibility studies for proposed near shore reclamation at Lung Kwu Tan" ("engineering feasibility studies for reclamation at Lung Kwu Tan") under Head 705 Subhead 5101CX amounted to \$28.99 million. Yet, according to the Administration's reply to a written question raised by a Member in examining the Estimates of Expenditure 2015-2016, the estimated expenditure of the planning and engineering study ("P&E study") on reclamation at Lung Kwu Tan was about \$78 million. In this connection, Mr YEUNG sought clarification from the Administration about the total costs required for the entire study on reclamation at Lung Kwu Tan. Moreover, given that under the block allocations arrangements, separate approval of FC on an item below the financial ceiling of \$30 million was not required, Mr YEUNG expressed dissatisfaction on the Administration's arrangement of sub-dividing the cost of the P&E study into smaller items, so that separate approval of FC was not required for the funding proposal for conducting engineering feasibility studies for reclamation at Lung Kwu Tan.

23. DCED advised that in 2011, the Civil Engineering and Development Department ("CEDD") had commissioned a consultancy study on enhancing land supply strategy, which included studying the feasibility of enhancing land supply through reclamation outside Victoria Harbour. As a result of the consultancy study, five near shore reclamation sites (including Lung Kwu Tan) had been identified for further studies. A commissioned engineering feasibility study for reclamation at Lung Kwu Tan was currently underway to assess the engineering feasibility of the proposed reclamation at Lung Kwu Tan so as to provide input on the way forward including the scope and programme of the subsequent P&E study. The estimated consultancy fee of the commissioned feasibility study was about \$10 million.

24. Mr Jeremy TAM further asked whether the said consultancy fee of some \$10 million was included in the estimated expenditure for the engineering feasibility studies (\$28.99 million) or that for the P&E study (\$78 million).

25. DCED advised that the consultancy fee of about \$10 million was included in the total estimated expenditure of \$28.99 million for the engineering feasibility study together with other relevant site investigation works. He further clarified that the engineering feasibility study and the P&E study were two different studies, as the former only involved a preliminary feasibility investigation on reclamation at Lung Kwu Tan, whereas the latter was a much more in-depth and comprehensive study on the subject matter.

26. Mr Jeremy TAM observed that the items "engineering feasibility studies for proposed near shore reclamation at Lung Kwu Tan" and "engineering feasibility studies for proposed near shore reclamation at Siu Ho Wan" were described as "on-going key items" in both the block allocations proposals for 2016-2017 and for 2017-2018. However, these two items had not appeared in the block allocations proposal for 2015-2016. Mr TAM asked if the Administration had sought the approval of LegCo before conducting the above two engineering feasibility studies.

27. DCED advised that upon the completion of the consultancy study on enhancing land supply strategy in 2014, CEDD considered it necessary to conduct an engineering feasibility study to investigate the feasibility of the proposed reclamation at Lung Kwu Tan and Siu Ho Wan before conducting the subsequent P&E studies. As the estimated

expenditure for each of the two engineering feasibility studies was below the financial ceiling of \$30 million, these two items were included in the CWRP block allocations under Head 705 Subhead 5101CX.

(Post-meeting note: A letter from Hon Jeremy TAM dated 24 November 2016 listing out questions on the agenda item was circulated to members vide LC Paper No. CB(1)189/16-17(01) (Chinese version only) on 25 November 2016. The Administration has been requested to provide a written response to the questions. The Administration's written response was circulated to members vide LC Paper No. CB(1)247/16-17(01) on 2 December 2016.)

28. Noting that facilities like power stations and landfills were located at or near Lung Kwu Tan, Mr CHU Hoi-dick enquired about the possible future use of the reclaimed land at Lung Kwu Tan.

29. DCED replied that the on-going engineering feasibility study would take into account constraints surrounding development at Lung Kwu Tan, and the study covered topics such as the area of land to be reclaimed and the possible future use of the reclaimed land.

Head 707 New Towns and Urban Area Development — Subhead 7014CX — Rural Public Works Programme and Subhead 7016CX District Minor Works Programme

30. Ms Tanya CHAN asked if the District Councils ("DCs") concerned had discussed the projects under the Rural Public Works Programme ("RPW Programme") before they were implemented.

31. Assistant Director (2), Home Affairs Department ("AD(2)/HAD"), replied that, while the approval of DCs for projects under the RPW Programme was not required, an RPW District Working Group, chaired by a DC member, had been set up in each of the nine districts in the New Territories to oversee these projects. All projects under the RPW Programme had to be endorsed by the relevant RPW District Working Groups and then approved by the RPW Programme Steering Committee chaired by the Director of Home Affairs before implementation.

32. Expressing concern over the lack of functionality or poor cost-effectiveness of some works projects under the District Minor Works Programme ("DMW Programme"), Dr LAU Siu-lai urged the

Administration to consult the community thoroughly on these projects and evaluate their cost-effectiveness before implementing them.

33. AD(2)/HAD advised that the projects under the DMW Programme were initiated by DC members, who were very familiar with local situations and community needs. She undertook to convey Dr LAU's view to DCs.

Head 707 New Towns and Urban Area Development — Subhead 7017CX — Signature Project Scheme

34. In view of the wide public concerns over the Signature Project Scheme ("SPS") projects that were yet to be approved by FC (e.g. "improving the tourist facilities at Lam Tsuen Wishing Square in Tai Po District" and "construction of music fountains at Kwun Tong Promenade in Kwun Tong District"), Dr LAU Siu-lai enquired why the Administration had included the expenditure for these projects in the block allocations proposal. Dr LAU suggested that, in order to reach a consensus in the community on these projects, the Administration should conduct more public consultation at district level before taking forward the projects. Mr CHAN Chi-chuen expressed similar views.

35. AD(2)/HAD explained that the funding proposals for the projects "improving the tourist facilities at Lam Tsuen Wishing Square in Tai Po District" and "construction of music fountains at Kwun Tong Promenade in Kwun Tong District" had been endorsed by PWSC in June 2016, though these proposals were still under deliberation at the last meeting of FC in the last legislative session. The Administration considered it necessary to make provision under Head 707 Subhead 7017CX for kick-starting the construction works in case the DCs concerned decided to re-submit the funding proposals for these two projects to FC. She further advised that, unlike other public works projects proposed and implemented by the Administration, SPS projects were items initiated, decided and spearheaded by DCs, with the Administration's support in the process. She undertook to convey Dr LAU's view to the DCs concerned.

36. Disagreeing with Dr LAU Siu-lai's view that many DC-initiated projects were lacking in functionality, Mr LAU Kwok-fan considered her view belittling DCs and their members. Noting that Dr LAU Siu Lai, in a motion proposed by her and tabled at the meeting, urged the Administration to conduct five rounds of public consultation exercises at district level before proceeding to consider the necessity of taking

forward the project "improving the tourist facilities at Lam Tsuen Wishing Square in Tai Po District", Mr LAU Kwok-fan held the view that the DC concerned was under no obligation to accept her suggestion.

Head 707 New Towns and Urban Area Development — Subhead 7100CX — New towns and urban area works, studies and investigations for items in Category D of the Public Works Programme

37. Expressing doubt on the impact of the temporary suspension of tendering by OAP for all categories of consultancy agreements under the jurisdiction of EACSB from 7 November 2016 to 6 February 2017 on the company, Mr CHAN Chi-chuen requested the Administration to provide the following information:

- (a) details about the items under Head 707 Subhead 7100CX, including: (i) a full list of such items; (ii) items that involved consultancy agreements; and (iii) the tendering positions of these consultancy agreements at present (i.e. whether the tendering exercises for these contracts were completed/underway/yet to start);
- (b) the number of consultancy agreements under the jurisdiction of EACSB for which tenders had been/would be invited from 7 November 2016 to 6 February 2017; and
- (c) those agreements under (b) which were also items under (a).

38. PAS(Tsy)(W)/FSTB advised that the Government had deposited with the LegCo Secretariat a full list of block allocations items for 2017-2018, which included all items under Head 707 Subhead 7100CX. DCED supplemented that based on a current estimate, there would be about 20 consultancy agreements for which tenders would be invited in the coming three months starting from November 2016, and a number of these agreements were not included in the block allocations proposal as their project estimates would exceed the financial ceiling of \$30 million for which separate approval by FC was required. He undertook to provide the information requested by Mr CHAN after the meeting.

(Post-meeting note: Members were informed on 23 November 2016 vide LC Paper No. CB(1)172/16-17 that the full list of block allocations items for 2017-2018 (English version only) was kept at the LegCo Library. The Administration's supplementary

information was circulated to members vide LC Paper No. CB(1)247/16-17(01) on 2 December 2016.)

Head 709 Waterworks — Subhead 9100WX — Waterworks, studies and investigations for items in Category D of the Public Works Programme

39. Commenting that the programme of Replacement and Rehabilitation of water mains ("R&R Programme") had largely improved the conditions of the water distribution network, Ir Dr LO Wai-kwok asked whether the Administration had any plan to launch similar large-scale projects in future to replace the remaining aged water mains.

40. Director of Water Supplies ("DWS") replied that, following the substantial completion of a wholesale replacement and rehabilitation of aged water mains under the R&R Programme, the Administration would be able to take a different approach in managing the water distribution network. Under the new initiative of building up a Water Intelligent Network, the Water Supplies Department ("WSD") would identify high-risk water mains with the help of monitoring and sensing equipment. High-risk water mains would be repaired as far as possible while those which were beyond economic repair would be reprovisioned.

41. As regards Ir Dr LO's suggestion that the Administration should explain the details of the projects under WIN (e.g. the construction volume) to the construction industry for better preparation of the works, DWS assured members that WSD would maintain close liaison with the industry.

42. Referring to one of the recommendations of the Report of the Commission of Inquiry into Excess Lead Found in Drinking Water ("Commission of Inquiry") that the Administration should undertake to test the drinking water of all public rental housing ("PRH") estates again using an appropriate sampling protocol which would include the testing of stagnant water, Dr Helena WONG asked if the block allocations proposal included the expenditure for implementing the recommendation.

43. DWS said the items under Head 709 Subhead 9100WX listed in the block allocations proposal were waterworks projects that would be launched in 2017-2018, and these items were not related to the implementation of the recommendations of the Commission of Inquiry. DWS said that the Administration would discuss the testing of drinking water in PRH estates with LegCo Members at another occasion.

Dr Helena WONG queried whether the Administration had any intention to conduct another round of test on the drinking water of all PRH estates.

Head 711 Housing — Subhead B100HX — Minor housing development related works, studies and investigations for items in Category D of the Public Works Programme

44. Dr YIU Chung-yim said that the item "site formation and infrastructural works for public housing development at Pok Fu Lam South — design and investigation" under Head 711 Subhead B100HX, which was related to the redevelopment programme of Wah Fu Estate, faced strong objection from DC members and the local community. Moreover, an application to the Town Planning Board ("TPB") for rezoning the relevant site from residential use to an eco-heritage park was still at the hearing stage with final decision yet to be made. He considered it inappropriate to include this item in the block allocations proposal and suggested taking out the item for separate consideration.

45. CCE(PWP)(Atg)/THB advised that to support the redevelopment of Wah Fu Estate, five sites at Pok Fu Lam South had been identified for public housing developments. A feasibility study on these five sites was currently underway, and the local community had been consulted on the development proposal. The Administration would take into account the public views received during the consultation and TPB's decision on the rezoning application, and further review the development proposal.

Motions proposed by members

46. The Chairman advised that he had received a proposed motion from Mr Jeremy TAM, two proposed motions from Mr CHU Hoi-dick, and five proposed motions from Dr LAU Siu-lai, all of which were directly related to the agenda item under discussion. Members agreed that these eight motions should be proceeded with at the meeting. The Chairman suggested ringing the voting bell once and then putting the proposed motions to vote one by one without having to ring the voting bell again for each proposed motion. Members agreed to the Chairman's suggestion.

Motion numbered 01 proposed by Mr CHU Hoi-dick

47. The Chairman read out the motion numbered 01 proposed by Mr CHU Hoi-dick, of which the wording was as follows:

(Translation)

"Given that the controversies surrounding Phase 1 of the public housing development at Wang Chau have yet to be resolved, this Panel requests the Government to take out Item 7 (resumption of land for development at Wang Chau, Yuen Long) and Item 9 (road works — site formation and infrastructure works for development at Wang Chau, Yuen Long) from Head 701 Subhead 1100CA of Capital Works Reserve Fund Block Allocations for 2017-2018 for separate consideration in future."

(The voting bell was rung for five minutes.)

48. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 20 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Mr Dr LO Wai-kwok
Dr Junius HO
Mr Holden CHOW

Mr WONG Ting-kwong
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming
Mr Wilson OR

Mr CHAN Chun-ying
(20 members)

Mr LAU Kwok-fan

Abstain:
(0 member)

49. The Chairman declared that the motion was carried.

Motion numbered 02 proposed by Dr LAU Siu-lai

50. The Chairman read out the motion numbered 02 proposed by Dr LAU Siu-lai, of which the wording was as follows:

(Translation)

"This Panel requests the Government to withdraw the item "pre-construction works, consultancy fee and study for improving the tourist facilities at Lam Tsuen Wishing Square (Tai Po District)" under Head 707 Subhead 7017CX from its paper on "Capital Works Reserve Fund Block Allocations for 2017-2018", and to conduct five rounds of public consultation exercises at district level before proceeding to consider the necessity of taking forward this project."

51. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 21 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr CHAN Kin-por
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming
Mr Wilson OR
Mr LAU Kwok-fan
(21 members)

Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Ir Dr LO Wai-kwok
Dr Junius HO
Mr Holden CHOW
Mr CHAN Chun-ying

Abstain:

(0 member)

52. The Chairman declared that the motion was carried.

Motion numbered 03 proposed by Dr LAU Siu-lai

53. The Chairman read out the motion numbered 03 (i.e. that the Government should conduct five rounds of public consultation exercises on the item "pre-construction works, consultancy fee and study for construction of music fountains at Kwun Tong Promenade (Kwun Tong District)" at district level before proceeding to consider the necessity of taking forward this project) proposed by Dr LAU Siu-lai.

54. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 22 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick

Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Ir Dr LO Wai-kwok
Dr Junius HO
Mr Holden CHOW
Mr CHAN Chun-ying
(22 members)

Mr Jeffrey LAM
Mr CHAN Kin-por
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming
Mr Wilson OR
Mr LAU Kwok-fan

Abstain:

(0 member)

55. The Chairman declared that the motion was not carried.

Motions numbered 04 and 05 proposed by Dr LAU Siu-lai

56. Regarding the motion numbered 04 (i.e. that the Government should take out the item "road works — site formation and infrastructure works for development at Wang Chau, Yuen Long" from the block allocations proposal) and the motion numbered 05 (i.e. that the Government should take out the item "resumption of land for development at Wang Chau, Yuen Long" from the block allocations proposal) proposed by Dr LAU Siu-lai, the Chairman advised that, as the content of these two motions was the same as that of the motion numbered 01, which had been carried earlier, the Panel would not deal with them.

Motion numbered 06 proposed by Mr Jeremy TAM

57. The Chairman read out the motion numbered 06 (i.e. that the Government should take out three items - "pre-construction works, consultancy fee and study for improving the tourist facilities at Lam

Tsuen Wishing Square (Tai Po District)", "preparatory and pre-construction works for construction of Moreton Terrace Activities Centre (Wan Chai District)" and "pre-construction works, consultancy fee and study for construction of music fountains at Kwun Tong Promenade (Kwun Tong District)" - from the block allocations proposal) proposed by Mr Jeremy TAM.

58. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 22 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Ir Dr LO Wai-kwok
Dr Junius HO
Mr Holden CHOW
Mr CHAN Chun-ying
(22 members)

Mr Jeffrey LAM
Mr CHAN Kin-por
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming
Mr Wilson OR
Mr LAU Kwok-fan

Abstain:

(0 member)

59. The Chairman declared that the motion was not carried.

Motion numbered 07 proposed by Mr CHU Hoi-dick

60. The Chairman read out the motion numbered 07 (i.e. that the Government should take out the item "site formation and infrastructural works for public housing development at Pok Fu Lam South — design and investigation" from the block allocations proposal) proposed by Mr CHU Hoi-dick.

61. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 22 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Mr Dr LO Wai-kwok
Dr Junius HO
Mr Holden CHOW
Mr CHAN Chun-ying
(22 members)

Mr Jeffrey LAM
Mr CHAN Kin-por
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming
Mr Wilson OR
Mr LAU Kwok-fan

Abstain:

(0 member)

62. The Chairman declared that the motion was not carried.

Motion numbered 08 proposed by Dr LAU Siu-lai

63. The Chairman read out the motion numbered 08 (i.e. that the Government should formulate an effective mechanism to ensure that the projects under the DMW Programme would be cost-effective) proposed by Dr LAU Siu-lai.

64. The Chairman put the motion to vote. He instructed the Clerk to read out the names of the members who voted for the motion and the names of the members who voted against the motion. Twenty-two members voted for, 22 members voted against the motion, and no member abstained. The votes of individual members were as follows:

For:

Mr James TO
Mr LEUNG Kwok-hung
Mr Charles Peter MOK
Mr Kenneth LEUNG
Mr Dennis KWOK
Dr Helena WONG
Mr Andrew WAN
Mr LAM Cheuk-ting
Ms Tanya CHAN
Mr KWONG Chun-yu
Dr YIU Chung-yim
(22 members)

Mr LEUNG Yiu-chung
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr KWOK Ka-ki
Dr Fernando CHEUNG
Mr Alvin YEUNG
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr Jeremy TAM
Dr LAU Siu-lai

Against:

Mr Kenneth LAU
Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr Steven HO
Mr YIU Si-wing
Mr CHAN Han-pan
Ms Alice MAK
Mr Dr LO Wai-kwok
Dr Junius HO

Mr Jeffrey LAM
Mr CHAN Kin-por
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Mr LEUNG Che-cheung
Dr Elizabeth QUAT
Mr Jimmy NG
Mr HO Kai-ming

Mr Holden CHOW
Mr CHAN Chun-ying
(22 members)

Mr Wilson OR
Mr LAU Kwok-fan

Abstain:
(0 member)

65. The Chairman declared that the motion was not carried.

Submission of the funding proposal to the Public Works Subcommittee

66. Concluding the discussion, the Chairman said that members had voiced their concerns on various issues related to the block allocations proposal. Some members held objection to some of the items under the proposal. The Administration should address these concerns when PWSC examined the proposal.

- IV Extending the operation of the Energizing Kowloon East Office**
(LC Paper No. CB(1)133/16-17(04) — Administration's paper on extending the operation of Energizing Kowloon East Office
LC Paper No. CB(1)133/16-17(05) — Paper on the Energizing Kowloon East Office prepared by the Legislative Council Secretariat (Background brief))

67. At the invitation of the Chairman, Permanent Secretary for Development (Works) ("PS/DEV(W)") said that the Administration's paper on the proposal of extending the operation of the Energizing Kowloon East Office ("EKEO") (LC Paper No. CB(1)133/16-17(04)) provided an update to members on the implementation progress of the "Energizing Kowloon East" ("EKE") initiative. He remarked that the continuation of the operation of EKEO was crucial to sustaining and demonstrating the determination of the Government to develop Kowloon East ("KE") as another core business district ("CBD2") in Hong Kong. He sought members' support for extending the operation of EKEO for a period of four years and nine months.

(Post-meeting note: A set of powerpoint presentation materials on the progress of work of EKEO was tabled at the meeting. A soft copy of the materials was circulated to members vide LC Paper No. CB(1)167/16-17(01) by email on 23 November 2016.)

Impact of the implementation of the "Energizing Kowloon East" initiative on existing arts practitioners and small business operators in Kowloon East

68. Mr SHIU Ka-chun, Mr CHU Hoi-dick and Dr LAU Siu-lai said that many arts practitioners in Kwun Tong were opposed to the EKE initiative, since many industrial buildings had been redeveloped into commercial/office buildings and hotels. The rentals of the remaining industrial building units had been rising in the past few years. As a result, many arts practitioners operating workshops or studios in KE had been forced to move out. These arts practitioners also criticized that the arts and cultural events in KE organized by EKEO did not meet the aspiration of the local arts community, and that EKEO had failed to listen to their views.

69. PS/DEV(W) responded that EKEO was open to different views from the arts practitioners in KE, and had maintained communication with them. Head of Energizing Kowloon East Office, Development Bureau ("Head/EKEO"), said that she had met with various arts practitioners and groups in KE to gauge their views on the projects undertaken under the EKE initiative. There were certain arts practitioners who were opposed to the initiative and were reluctant to meet with the Administration, and some of their criticisms about the work of EKEO were unfair.

70. Head/EKEO said that EKEO had turned a piece of land beneath Kwun Tong Bypass into an informal performance venue called "Fly the Flyover 01" ("FF01"). Works to convert the adjacent "Fly the Flyover 02 and 03" sites into similar art, cultural and creative uses had recently commenced, and EKEO had communicated with different arts and community groups to collect their views on the project. EKEO would explore the reservation of space for art, cultural and creative uses when formulating the development plans for the Kowloon Bay Action Area and Kwun Tong Action Area.

71. Head/EKEO further said that EKEO had facilitated a large number of events to take place in KE under its place-making strategy. FF01 had become a very popular venue where many community-organized events

had been staged. EKEO welcomed proposals from any groups or organizations for holding different kinds of events at its venues.

72. Mr SHIU Ka-chun and Dr LAU Siu-lai said they did not support the proposed extension of operation of EKEO. Mr SHIU called on EKEO to actively approach and communicate with those arts practitioners who had different views with the Administration on the EKE initiative. Mr CHU Hoi-dick urged that the Administration should provide alternative space in KE, such as earmarking some space in the land for sale for private development in future, for arts practitioners to continue their operation in KE and, at the same time, develop additional open spaces for public arts activities.

73. Mr LEUNG Kwok-hung and Dr KWOK Ka-ki opined that the transformation of the old industrial areas in KE into a business district under the EKE initiative was primarily a process to support the hegemony of property developers in the district. Many industrial buildings had been redeveloped into profitable commercial/office buildings and hotels. Mr LEUNG did not support the proposed extension of operation of EKEO. Dr KWOK was concerned that many small business operators, arts workshops and studios, etc. had been forced to move out from KE because of the rising rentals of shops and industrial premises caused by the transformation of KE. He requested the Administration to provide the number of the abovementioned small business operators, arts workshops and studios, etc. which had been affected by the EKE initiative.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)361/16-17(01) on 22 December 2016.)

74. PS/DEV(W) responded that the EKE initiative aimed to transform Kowloon East into CBD2 to sustain Hong Kong's economic development. It was necessary for the Administration to continue with the EKE initiative with a view to ensuring a steady supply of new high grade offices to help meet the commercial floor space requirement and support economic growth in the long run.

75. Dr Fernando CHEUNG did not support the proposed extension of operation of EKEO. He said that apart from the arts practitioners in Kwun Tong, some non-governmental organizations had also been affected by the EKE initiative. He referred to the Caritas Computer Workshop, which operated a computer recycling programme to refurbish computers and donate them to the needy. He noted that the Caritas

Computer Workshop, now operating at the Kowloon Bay Waste Recycling Centre, would be required to move out in February 2017 to make way for a development project under the EKE initiative. He urged EKEO to make an appropriate relocation arrangement for the Caritas Computer Workshop as soon as practicable.

76. Head/EKEO replied that at present, there was no plan to require the Caritas Computer Workshop to move out from the Kowloon Bay Waste Recycling Centre, as the development plan for the Kowloon Bay Action Area was still being formulated. The Planning and Engineering Study for the Development at Kowloon Bay Action Area was being conducted and it would not be completed before mid-2017. In response to Mr CHAN Han-pan's enquiry, Head/EKEO said that currently there were three organizations operating waste recycling programmes at the Kowloon Bay Waste Recycling Centre under short-term arrangements of the Environmental Protection Department ("EPD"). EKEO had maintained communication with EPD, which would provide appropriate assistance in relocating the relevant operations as and when necessary.

Traffic condition in Kwun Tong

77. Mr HO Kai-ming said that the traffic congestion problem in Kwun Tong, in particular at the roundabout at Hoi Yuen Road, had become much worse after the development of new commercial buildings in the district in recent years. He enquired about the Administration's measures to improve the traffic condition in Kwun Tong, apart from the minor road improvement works carried out by EKEO.

78. Head/EKEO responded that EKEO had commissioned the Planning and Engineering Study for the Development at Kwun Tong Action Area to formulate, among other things, long-term proposals to improve the traffic condition around the Kwun Tong Action Area, including the Hoi Yuen Road roundabout. The study was expected to be completed in 2017, and the Administration would consult the Kwun Tong District Council on the proposals in due course.

Project facilitation

79. Mr HO Kai-ming enquired how EKEO could further facilitate the implementation of face-lifting projects for back alleys, in particular those which involved private ownership, so as to continue to improve the environment in Kwun Tong. Head/EKEO responded that EKEO played an advisory and facilitation role for public and private sector development

projects in KE, and would continue to collaborate with building owners, etc. to improve more back alleys.

The proposed Environmental Friendly Linkage System

80. Dr KWOK Ka-ki, Mr Jeremy TAM and Mr WU Chi-wai expressed concern about the proposed Environmentally Friendly Linkage System ("EFLS") for KE. In particular, they cast doubt on the suitability and financial viability of adopting a monorail system. Mr TAM opined that the proposed EFLS should connect Ngau Tau Kok and Kwun Tong, though this might affect the patronage level of the train service currently provided by the MTR Corporation Limited, so as to achieve a comprehensive intra-district connectivity in KE. Dr KWOK and Mr WU requested the Administration to provide supplementary information on the progress of the detailed feasibility study on EFLS, and the Administration's position on EFLS.

(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)361/16-17(01) on 22 December 2016.)

81. Mr WU Chi-wai enquired about how a smokeless transport system could be implemented in the Kai Tak Development area, and how the Administration would ensure the integration and connection between the new development areas and the already built-up areas in KE. At the request of the Chairman, the Administration would provide a written response to Mr WU's questions after the meeting.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)361/16-17(01) on 22 December 2016.)

Justifications for the extension of the operation of the Energizing Kowloon East Office

82. Dr YIU Chung-yim said the cost-effectiveness of the work of EKEO was a key factor for his consideration of whether to support the proposed extension of the operation of the Office. He requested the Administration to provide a cost-benefit analysis on the projects carried out by EKEO since its establishment to justify the cost-effectiveness of the work of EKEO. Head/EKEO responded that it would not be possible to provide a cost-benefit analysis on EKEO's work, but the Administration could provide the costs of EKEO's projects and the

amount of expenditures of the Office. The achievements and work done by EKEO in the past few years were already set out in the booklet at Enclosure 2 to the Administration's paper. Sharing Dr YIU Chung-yim's views, Mr Jeremy TAM suggested that the Administration should consider extending the operation of EKEO for one year first, and seek further extension in future, after submitting reports on cost-benefit analysis and quantifiable performance results of the work of EKEO to justify further extension.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)361/16-17(01) on 22 December 2016.)

83. Citing the lack of progress of the construction of the proposed avenue park in the Kai Tak Development area as an example, Dr Helena WONG queried the ability of EKEO in facilitating implementation of public works projects. She asked about the justifications for extending the operation of EKEO for a period of four years and nine months, and expressed reservation on the proposed extension.

84. PS/DEV(W) replied that it was necessary for EKEO to extend its operation for four years and nine months for the Office to continue to carry out and complete the major studies and works projects listed out in Enclosure 3 to the Administration's paper, including the Planning and Engineering Studies for the Development at Kowloon Bay Action Area and Kwun Tong Action Area. PS/DEV(W) further said that the EKE initiative covered a wide range of development projects in a large area, including not only the Kai Tak Development area, but also Kowloon Bay and Kwun Tong. While there might be unsatisfactory progress in individual projects, the performance and effectiveness of EKEO should be assessed from a holistic perspective.

85. Mr CHAN Han-pan and Ir Dr LO Wai-kwok acknowledged the achievement of EKEO in coordinating government efforts in the development of KE, and in improving the environment in KE, such as face-lifting back alleys, enhancing the waterfront area and the land beneath Kwun Tong Bypass. Mr CHAN Han-pan agreed that there should be a steady supply of commercial/office floor space to support Hong Kong's economic growth in the long run. Mr CHAN Han-pan and Ir Dr LO Wai-kwok said respectively that Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong and

Members belonging to the Business and Professionals Alliance for Hong Kong supported the proposed extension of operation of EKEO.

86. Mr LEUNG Yiu-chung referred to paragraphs 10 and 11 of the Administration's paper, which set out the continued need for an EKEO. He opined that, since EKEO was responsible for facilitating the development of commercial/office land in KE, but not for carrying out office development projects, EKEO's work was almost completed. He queried whether there were justifications for extending the operation of EKEO for four years and nine months. At the request of the Chairman, the Administration would provide a written response to Mr LEUNG's views and query.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(1)361/16-17(01) on 22 December 2016.)

87. Mr Jimmy NG acknowledged the efforts of EKEO in transforming KE over the past few years. He expressed support for the extension of EKEO's operation for the Office to continue to take forward the improvement proposals, development plans, various ongoing studies and public works projects under the EKE initiative.

Submission of the staffing proposal to the Establishment Subcommittee

88. Concluding the discussion, the Chairman called on the Administration to take note of members' views and queries on various issues related to the proposed extension of operation of EKEO. He said that the Administration, in considering whether to submit the staffing proposal to the Establishment Subcommittee, should address these views and queries.

V Staffing proposal on establishment of the Sustainable Lantau Office and re-organization of the existing Development Offices of the Civil Engineering and Development Department

(LC Paper No. CB(1)133/16-17(06) — Administration's paper on staffing proposal on establishment of the Sustainable Lantau Office and re-organization of the existing Development Offices of the Civil

Engineering and Development Department
LC Paper No. CB(1)133/16-17(07) — Paper on the proposed establishment of a Lantau Development Office and re-organization of the existing Development Offices of the Civil Engineering and Development Department prepared by the Legislative Council Secretariat (Background brief))

Other relevant papers

(LC Paper No. CB(1)147/16-17(01) — Submission from Save Lantau Alliance dated 17 November 2016 (Chinese version only)

LC Paper No. CB(1)168/16-17(01) — Submission from The Hong Kong Institute of Surveyors dated 21 November 2016 (English version only))

89. The Chairman remarked that the agenda item was a staffing proposal on the establishment of the Sustainable Lantau Office ("SLO") and the re-organization of the existing Development Offices of the Civil Engineering and Development Department.

Motion on adjournment of discussion on the item

90. Mr CHU Hoi-dick proposed a motion to adjourn the discussion on the agenda item. The Chairman said that the Panel would proceed to deal with Mr CHU's motion. Each member could speak once on the motion, and the speaking time should not be more than one minute.

91. Noting that the proposed SLO would be dedicated to taking forward and managing the development initiatives for Lantau, and that one of these initiatives would be the development of the East Lantau Metropolis proposed under the HK2030+, Mr CHU Hoi-dick opined that

the Panel should not consider the proposal on the establishment of SLO until it had discussed HK2030+.

92. Mr LEUNG Yiu-chung spoke in support of Mr CHU's motion. He said that there were diverse views among the public on the proposed development strategy for Lantau, therefore it was not the right time for the Administration to establish SLO. He urged the Administration to further consult the public on the proposed development strategy for Lantau.

93. Ir Dr LO Wai-kwok expressed support for the establishment of SLO to take forward the development and conservation initiatives for Lantau. He said that the development of Lantau could enhance land supply in the long run to support future developments of Hong Kong.

94. At 5:16 pm, taking in view that over 10 members were still waiting to speak on the motion, the Chairman said that there would not be sufficient time to finish the debate on the motion and then put the motion to vote before the scheduled end time of the meeting, i.e. 5:30 pm. He advised that the debate on Mr CHU's motion be adjourned and would be resumed at the next meeting.

VI Any other business

95. There being no other business, the meeting ended at 5:17 pm.