

# 立法會 *Legislative Council*

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## **Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project**

**Meeting on 10 June 2019**

### **Updated background brief on the development of M+**

#### **Purpose**

This paper provides background information on the development of M+ and summarizes the major views and concerns expressed by members of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") on relevant issues.

#### **Background**

##### Construction progress of M+

2. M+, which is under construction, will be a new museum for visual culture in Hong Kong located at the western end of the West Kowloon Cultural District ("WKCD"). According to the West Kowloon Cultural District Authority ("WKCDA"), the mission of M+ is to focus on the 20<sup>th</sup> and 21<sup>st</sup> century visual culture, broadly defined, from a Hong Kong perspective, the perspective of now, and with a global vision, with its collections encompassing the three main disciplines of visual art, design and architecture, and moving image. Following an international competition, the Swiss architectural firm Herzog & de Meuron, in joint venture with Hong Kong-based TFP Farrells and Ove Arup & Partners Hong Kong, was selected in June 2013 to design and administer the M+ project. The M+ building and the Conservation and Storage Facility ("CSF") together will provide approximately 65 000 square metres in gross floor area.

3. The M+ main works contract was awarded to Hsin Chong Company Limited ("HCC") in September 2015 after a selective tendering process. The contract, valued at \$5.944 billion, included works on the M+ building, CSF, a retail, dining and entertainment/other arts and cultural facilities building (P39B), an interfacing car park and some related public infrastructure works. In February 2018, WKCDA indicated that the M+ building was targeted for completion in 2019 with opening a year later.<sup>1</sup>

4. In July 2018, some media reports revealed that WKCDA had paid the subcontractors of HCC directly in respect of the works for the M+ project since February 2017. On 17 August 2018, WKCDA informed the Joint Subcommittee that the employment of HCC under the M+ main works contract was terminated with effect from the same day.<sup>2</sup>

5. WKCDA subsequently carried out a restricted tender and appointed Gammon Construction Limited as the new management contractor on 7 September 2018 to oversee the completion of the M+ project. The works at the M+ site resumed on 21 September 2018. According to WKCDA,<sup>3</sup> there would be additional costs arising from the need to close down the site and arrange a new management contractor but it was the aim of WKCDA to offset some of these costs by more efficient management and improved progress. In April 2019, WKCDA indicated that the M+ building was targeted to secure the Occupation Permit in the first quarter of 2020 with opening of the museum approximately a year later.<sup>4</sup>

### Collection and acquisition

6. According to WKCDA in February 2017,<sup>5</sup> the M+ collection included about 6 000 works covering visual arts, design and architecture, and moving image, of which works from Hong Kong accounted for around 26%. To establish art historical, cultural, and conceptual connections

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<sup>1</sup> Source: [LC Paper No. CB\(1\)559/17-18\(01\)](#)

<sup>2</sup> Please refer to the letter from WKCDA on the M+ main works contract [[LC Paper No. CB\(1\)1333/17-18\(01\)](#)]. A chronology of events leading to the decision of the WKCDA Board to terminate HCC's employment was given by WKCDA in Annex 1 to [LC Paper No. CB\(1\)1376/17-18\(01\)](#) submitted to the Joint Subcommittee at its special meeting on 11 September 2018.

<sup>3</sup> Source: [LC Paper No. CB\(1\)1376/17-18\(01\)](#)

<sup>4</sup> Source: [LC Paper No. CB\(1\)914/18-19\(01\)](#)

<sup>5</sup> Source: [LC Paper No. CB\(1\)560/16-17\(03\)](#)

between Hong Kong and other Chinese works and international works, the collection included important works from Asia and the rest of the world.

### M+ governance structure

7. A subsidiary company wholly-owned by WKCDA, namely M Plus Museum Limited ("M+ Ltd"), was incorporated in April 2016 with its own Board of Directors ("M+ Board") for formulating the vision and mission, as well as the strategies, policies and guidelines in relation to museological matters and professional standards of the museum's operations. In May 2016, the Acquisitions Committee was established to review, approve and make recommendations to the M+ Board and the WKCDA Board on matters relating to acquisitions by M+.

8. In addition, a trustee company wholly-owned by WKCDA, namely M Plus Collections Limited ("M+ Collections Ltd"), was incorporated in August 2016 to serve as the trustee of the M+ Collections Trust ("the Trust") to hold the legal interest in the M+ collection with a view to separating the legal and beneficial ownership of the collection and protecting it from possible inappropriate deaccession in the future. M+ Collections Ltd has engaged M+ Ltd to manage the M+ collection on a day-to-day basis while it provides an oversight of the M+ collection through an annual audit.<sup>6</sup>

### **Members' views and concerns**

#### Cost and progress of the M+ project

9. Members were very concerned about the impact of the termination of HCC's employment under the M+ main works contract and associated disputes<sup>7</sup> on the development progress and project costs of M+.

10. WKCDA advised in March 2019<sup>8</sup> that WKCDA had agreed a timetable with the new management contractor, i.e. Gammon Construction Limited, to complete the development of M+ in 2020 with opening of the

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<sup>6</sup> Source: [WKCDA's Annual Report 2016/2017](#)

<sup>7</sup> In a press statement issued by Hsin Chong Group Holdings Limited, HCC's parent company, on 21 August 2018, it was mentioned that a notice of dispute was served to WKCDA with regard to the termination of HCC's employment under the M+ main works contract.

<sup>8</sup> Source: Follow-up paper ([LC Paper No. CB\(1\)784/18-19\(01\)](#)) provided by WKCDA

museum at the end of 2020 or early 2021. Due to the ongoing commercial issues with HCC and the existing novated subcontractors, the estimated total cost of the M+ project could not be disclosed at that stage but WKCDA would report on the total cost of the development of M+ upon completion of the project.

### Positioning of M+

11. Members were concerned about the positioning of M+, in particular whether it would place more emphasis on featuring local visual culture and history, and how M+ would rank among other major museums around the world. Regarding the co-ordination between M+ and the public museums managed by the Leisure and Cultural Services Department ("LCSD"), members urged WKCDA to strengthen communication with LCSD on each other's scope of collections and acquisition of artworks.

12. According to WKCDA, M+'s ambitions were to be the first museum of its kind in Asia and ranked among the top five museums for visual culture in the world. In terms of geographical priorities, Hong Kong Art would always be the core of the collections of M+ and would be well represented in the collections. M+ would acquire works from regions further away from Hong Kong more selectively and strategically, whereas the acquisition strategy would be more inclusive for regions closer to Hong Kong.

13. The Administration advised that the collection policy of LCSD museums focused mainly on Hong Kong, and given their different positioning, LCSD museums and M+ should complement each other in their collections. LCSD and WKCDA would continue to strengthen communication in this regard and would also explore the possibility of loaning appropriate exhibits to each other in order to make good use of resources.

### Acquisition of artworks

14. Members asked about the amount of funding earmarked for acquiring artworks by M+. Some members were concerned that the prices of M+ acquisitions would be used in the art market to influence the prices of artworks, and urged WKCDA to exercise caution in selecting and acquiring artworks.

15. WKCDA advised that \$1.2 billion tranche of funds was earmarked for collection acquisition and related costs of M+. WKCDA indicated that the Acquisitions Committee had been set up to advise WKCDA on matters relating to acquisitions for the M+ collection and an acquisition policy for

M+ had been formulated. All proposed acquisitions (both purchases and donations) would be carefully reviewed in accordance with the strategy and acquisition criteria laid down under the M+ acquisition policy, and had to be approved by different tiers of authority according to the value of the artworks.

16. In response to some members' concerns about the arrangement adopted by WKCDA in 2012 for accepting and acquiring Dr Uli SIGG's collections,<sup>9</sup> WKCDA advised that the "part gift/part purchase" arrangement, which was intended as a sign of commitment to the donor, was not an uncommon model internationally for museums to obtain collections. Given the scale, completeness and importance of Dr SIGG's collections, WKCDA considered it justifiable to accept the collections by way of such an arrangement, which had been approved by the WKCDA Board.

#### Independence of curators and freedom of expression

17. Some members were concerned how WKCDA would safeguard the independence and freedom of its curators in deciding on the artworks to acquire and display, and whether an artistic accountability system would be implemented in M+, under which curators would be accountable for their decisions on acquisitions and the arrangement of exhibitions. Some other members, however, were of the view that while respecting the freedom of expression, artworks which were indecent/obscene or contained political/insulting messages should not be regarded as art.

18. WKCDA stressed that it fully appreciated that independence and freedom of expression were vital to the success of any cultural institution, and all acquisitions would be considered in accordance with the guidelines and procedures as laid down in the M+ acquisition policy. A number of seasoned curators who were highly respected in the international museum field had been recruited for the operation of M+, and they would not risk jeopardizing their professional standing by being subject to any types of censorship or regulation in their ways of work.

#### Recruitment and training of staff

19. Some members considered that WKCDA should rely less on foreign experts and strive to recruit local art experts and museum

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<sup>9</sup> In June 2012, WKCDA decided to adopt the "part gift/part purchase" model in accepting a donation of 1 463 Chinese contemporary artworks, valued at around \$1.3 billion, from Dr SIGG of Switzerland and in acquiring from Dr SIGG 47 pieces of artworks for a sum of \$177 million.

professionals who were familiar with local arts and culture to support the development of M+. WKCDA advised that while the Authority was always trying to recruit locally, there was a need to bring in expertise from overseas countries especially in the early stages of the development of M+ and for certain positions for which there was no formal training locally. WKCDA believed that this would not only fill the gaps in the skills required for the success of M+, but also facilitate the transfer of knowledge to local talents and help build up local expertise. The M+ team had launched extensive internship programmes and a docent volunteer programme as part of its commitment to nurture local talents by offering them unique learning opportunities in renowned international art exhibitions and broadening their curatorial knowledge base.

### Governance of M+

20. Some members were concerned whether the establishment of M+ Ltd would undermine the transparency of the operation and finances of M+ and its accountability to the Legislative Council ("LegCo"). Some members queried, under the new governance structure, whether the Administration and the WKCDA Board would be able to retain effective monitoring and control over the operation of M+, particularly in respect of control over assets and finances.

21. WKCDA explained that it was necessary for M+ to establish its own board to enable curatorial and museological decisions to be taken independently by museum professionals and board members with relevant experience and expertise. The new governance structure would help enhance public perception of the artistic freedom and curatorial independence of M+, strengthen the capacity of M+ to raise funds and solicit donations in artworks, and put M+ on a similar basis with other major contemporary arts museums around the world. The Administration and WKCDA assured members that while matters concerning curatorship, programming, collection and acquisition would be under the purview of the M+ Board, WKCDA would retain the overall monitoring and control over the finances of M+ Ltd. Funding allocation to M+ Ltd would continue to be managed centrally by WKCDA, and the business and corporate plans of M+ Ltd would be submitted to the WKCDA Board for approval after endorsement by the M+ Board. The work of M+ Ltd would be subject to the monitoring of LegCo to ensure public accountability.

### Audience building and grooming of local talents

22. Members were concerned how WKCDA could encourage audience participation and raise public awareness of M+. They called on WKCDA to organize activities to publicize the concept and vision of M+ to the

public. WKCDA advised that the M+ team had been building networks and partnerships with international museums with a view to bringing mega exhibitions to Hong Kong, which would attract both locals and tourists. In addition, the M+ team had rolled out an outreach programme in a bid to raise public awareness about M+ and promote audience building in the community and schools.

23. Some members enquired about M+'s plans for grooming local visual culture artists and showcasing their works to the local and international communities. WKCDA advised that M+ would provide a platform and backing for talented Hong Kong artists to showcase their works. It would also bring artists from other parts of the world to Hong Kong to present their works to the local community, thus providing a platform for artistic inspiration and exchanges. Given the lead time to complete the M+ building, as an interim measure, the M+ Pavilion (located in the Art Park of WKCD and opened in July 2016), would be used to showcase smaller-scale exhibitions ahead of the opening of the M+ building.

### **Latest development**

24. At the meeting to be held on 10 June 2019, the Administration and WKCDA will brief the Joint Subcommittee on the latest development of M+.

### **Relevant papers**

25. A list of the relevant papers on the LegCo website is in the **Appendix**.

## Development of M+

## List of relevant papers

Committee	Date of meeting	Paper
Former Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project formed in the Fifth Legislative Council	23.4.2013 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>  <a href="#">Response of the Administration/WKCDA to members' concerns raised at the meeting</a>
	10.6.2013 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>  <a href="#">Response of the Administration/WKCDA to members' concerns raised at the meeting</a>
	29.11.2013 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	26.2.2014 (Issue date)	<a href="#">Letter dated 25.2.2014 from Hon Christopher CHUNG to the Secretary for Home Affairs regarding the acquisition of "Kiyotomo Sushi Bar" (Chinese version only)</a>
	19.3.2014 (Issue date)	<a href="#">Response of WKCDA to the issues raised in the letter dated 25.2.2014 from Hon Christopher CHUNG</a>



Committee	Date of meeting	Paper
Former Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project formed in the Fifth Legislative Council	23.7.2014 Item I	<a href="#">Agenda</a> <a href="#">Minutes</a> <a href="#">Response of WKCDA to members' concerns raised at the meeting</a>
	24.11.2014 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	19.5.2015 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a> <a href="#">Response of the Administration/WKCDA to members' concerns raised at the meeting</a>
	30.5.2016 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	21.6.2016 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	20.12.2016 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	21.2.2017 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	21.11.2017 Item V	<a href="#">Agenda</a> <a href="#">Minutes</a>
	11.9.2018 Item I	<a href="#">Agenda</a> <a href="#">Minutes</a> <a href="#">Response of the Administration/WKCDA to members' concerns raised at the meeting</a>
	6.11.2018 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a> <a href="#">Response of WKCDA to members' concerns raised at the meeting</a>