

立法會
Legislative Council

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(These minutes have been seen by
the Administration)

Ref : CB1/PS/2/16

Panel on Development and Panel on Home Affairs

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

**Minutes of meeting held on
Monday, 1 June 2020, at 4:30 pm
in Conference Room 2B of the Legislative Council Complex**

Members present : Hon Jeffrey LAM Kin-fung, GBS, JP (Chairman)
Hon Jimmy NG Wing-ka, BBS, JP (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Claudia MO
Hon Frankie YICK Chi-ming, SBS, JP
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Dr Hon Helena WONG Pik-wan
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon Tanya CHAN
Hon LAU Kwok-fan, MH
Hon KWONG Chun-yu
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS

Member absent : Hon CHU Hoi-dick

Public officers attending : Agenda items III and IV
Mrs Cherry TSE LING Kit-ching, JP
Permanent Secretary for Home Affairs

Ms YING Fun-fong, JP
Project Manager (Home Affairs Bureau)

Mrs Angelina CHEUNG FUNG Wing-ping, JP
Deputy Secretary for Home Affairs (2)

**Attendance by
invitation**

: **Agenda items III and IV**

Mr Duncan PESCOD, GBS, JP
Chief Executive Officer
West Kowloon Cultural District Authority

Mr Jeremy STOWE
Chief Projects Officer
West Kowloon Cultural District Authority

Ms Suhanya RAFFEL
Museum Director, M+
West Kowloon Cultural District Authority

Dr Louis NG
Museum Director, Hong Kong Palace Museum
West Kowloon Cultural District Authority

Agenda item III

The Hon Henry TANG Ying-yen, GBM, GBS, JP
Chairman of the Board
West Kowloon Cultural District Authority

Ms Kitty FUNG
Chief Financial Officer
West Kowloon Cultural District Authority

Mr Paul TAM
Executive Director, Performing Arts
West Kowloon Cultural District Authority

Ms Eva KWONG
Chief Corporate Services Officer
West Kowloon Cultural District Authority

Clerk in attendance : Ms Doris LO
Chief Council Secretary (1)2

Staff in attendance : Mr Raymond CHOW
Senior Council Secretary (1)10

Ms Christina SHIU
Legislative Assistant (1)2

Action

I Confirmation of minutes
(LC Paper No. CB(1)516/19-20 — Minutes of meeting on
6 January 2020)

The minutes of the meeting on 6 January 2020 were confirmed.

II Information paper(s) issued since the last meeting

2. Members noted that no information paper had been issued since the last meeting on 27 April 2020.

(Post-meeting note: The response of the West Kowloon Cultural District Authority ("WKCD") [LC Paper No. CB(1)704/19-20(01)] to the letter from Hon Tanya CHAN (Chinese version only) [LC Paper No. CB(1)515/19-20(01)] on issues relating to the progress of the construction works under the West Kowloon Cultural District project was tabled at the meeting and circulated to members by email afterwards on 2 June 2020.)

III Update on the financial situation of the West Kowloon Cultural District

(LC Paper No. CB(1)668/19-20(01) — West Kowloon Cultural District Authority's paper on update on the financial situation of the West Kowloon Cultural District
LC Paper No. CB(1)668/19-20(02) — Paper on the financial situation of the West Kowloon Cultural District project prepared by the

Legislative Council
Secretariat (Updated
background brief))

3. The Joint Subcommittee deliberated (index of proceedings attached at **Annex**).

IV Update on the development of M+ and Hong Kong Palace Museum

(LC Paper No. CB(1)668/19-20(03) — West Kowloon Cultural District Authority's paper on update on the development of M+ and the Hong Kong Palace Museum

LC Paper No. CB(1)668/19-20(04) — Paper on the development of M+ prepared by the Legislative Council Secretariat (Updated background brief)

LC Paper No. CB(1)668/19-20(05) — Paper on the development of Hong Kong Palace Museum prepared by the Legislative Council Secretariat (Updated background brief))

4. The Joint Subcommittee deliberated (index of proceedings attached at **Annex**).

(Post-meeting note: A letter from Hon Tanya CHAN to WKCDA dated 3 June 2020 [LC Paper No. CB(1)884/19-20(01)] (Chinese version only) regarding the latest position of the follow-up work on the legacy payment to subcontractors previously employed by the Hsin Chong Construction Company Limited, and WKCDA's written response [LC Paper No. CB(1)884/19-20(02)] to Ms CHAN's letter were forwarded to members for reference on 28 July 2020.)

V Any other business

5. The Chairman said that the Joint Subcommittee had finished discussion of the items proposed by the Administration/WKCDA and

members in the 2019-2020 session. The Secretariat would prepare and circulate a report on the work of the Joint Subcommittee in the Sixth Legislative Council for members' consideration and then submit the report to the Panel on Development ("DEV Panel") and the Panel on Home Affairs ("HA Panel") for endorsement.

(Post-meeting note: The draft report of the Joint Subcommittee was circulated to members vide LC Paper No. CB(1)822/19-20(01) by email on 30 June 2020. No comments were received from members. The report was then submitted to the DEV Panel and the HA Panel vide LC Paper No. CB(1)838/19-20 by email on 7 July 2020.)

6. There being no other business, the meeting ended at 6:29 pm.

Council Business Division 1
Legislative Council Secretariat
24 September 2020

Panel on Development and Panel on Home Affairs

**Proceedings of meeting of the Joint Subcommittee to Monitor
the Implementation of the West Kowloon Cultural District Project
held on Monday, 1 June 2020, at 4:30 pm
in Conference Room 2B of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
Agenda Item I – Confirmation of minutes			
000835-000912	Chairman	Confirmation of minutes [LC Paper No. CB(1)516/19-20]	
Agenda Item II – Information paper(s) issued since the last meeting			
000913-000925	Chairman	No information paper had been issued since the last meeting on 27 April 2020.	
Agenda Item III – Update on the financial situation of the West Kowloon Cultural District			
000926-002346	Chairman West Kowloon Cultural District Authority ("WKCD")	Briefing by the Chairman of the WKCD Board [LC Paper No. CB(1)668/19-20(01)]	
002347-002952	Chairman Ms Claudia MO WKCD	<p>Ms MO expressed concern over the deterioration in WKCD's estimated operating deficit in the coming years and asked about:</p> <p>(a) whether the Administration would have to inject funds into WKCD to support its operation; and</p> <p>(b) when WKCD would attain financial viability.</p> <p>WKCD responded that:</p> <p>(a) WKCD's operational expenses would continue to increase with the opening of more arts and cultural facilities ("ACF") in the West Kowloon Cultural District ("WKCD") in the coming years such as M+, the Hong Kong Palace Museum ("HKPM") and the Lyric Theatre Complex, whilst a majority of the income generating facilities in the District would only be completed beyond 2025 after the completion of the integrated basement ("IB"), hence resulting in a prolonged mismatch in the timing of cashflows and thus a deterioration in the operating deficit of WKCD. The timing of restoring fiscal balance was subject to the completion schedule of and the amount of income generated from the topside commercial developments of IB;</p>	

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		<p>(b) the Authority had adopted various measures to generate revenue and contain cost, such as imposing a pay freeze and reducing operational expenses; and</p> <p>(c) WKCDA was working with financial advisors on its long-term financial projection, taking into account the impact of the coronavirus disease-2019 ("COVID-19") pandemic.</p>	
002953-003828	Chairman Ms Tanya CHAN Administration WKCDA	<p>Ms CHAN was worried about the increasing operating deficit and widening capital funding gap for delivering the remaining ACF faced by WKCDA, and enquired about:</p> <p>(a) the amount of capital funds required to complete the remaining ACF;</p> <p>(b) an update on the financing options having explored by WKCDA in the context of the enhanced financial arrangement ("EFA"), including whether some forms of Government support would be required, and why WKCDA had not yet drawn up the external borrowing plan; and</p> <p>(c) when information about the long-term financial projection of WKCDA would be available.</p> <p>WKCDA advised that the Authority was required under EFA to explore various financing options. The Authority was currently working with the financial advisors and exploring with the Administration on various financing options including funding support from the Government and external borrowing, taking into account the repayment ability of WKCDA and other issues.</p> <p>The Administration indicated that:</p> <p>(a) the financial difficulties faced by WKCDA were due to many factors/developments that were unforeseeable when the upfront endowment of \$21.6 billion was granted to WKCDA in 2008. These factors/developments included the deferred possession of the WKCD site being occupied for the development of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project, and the increase in plot</p>	

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		<p>ratio of the WKCD site by the Town Planning Board in 2014 entailing extra costs for developing additional gross floor area ("GFA") (15%) within the site;</p> <p>(b) WKCDA's funding gap was the result of the phased development of WKCD, with the delivery of ACF first and then followed by income generating facilities like hotel, office and residential ("HOR") developments;</p> <p>(c) under Part 4 of the WKCDA Ordinance (Cap. 601) ("WKCDAO"), WKCDA might, with the approval of the Financial Secretary ("FS"), borrow from the Government, or otherwise raise moneys or charge all or any part of its property as security for the repayment of moneys borrowed or raised. The same part of WKCDAO also provided that the Legislative Council ("LegCo")'s authorization was required for FS to grant on behalf of the Government guarantee for WKCDA to borrow. It was originally expected that the financial advisors could complete the external borrowing plan by the end of 2019. However, in view of the impact of the social incidents in 2019 and the COVID-19 pandemic in 2020, the long-term financial projection of WKCDA had to be reviewed; and</p> <p>(d) the Administration could only explore the forms of support it could provide to the Authority upon completion of the long-term financial projection of WKCDA.</p>	
003829-004545	Chairman Mr MA Fung-kwok WKCDA	<p>Being a Member representing the sector of sports, performing arts, culture and publication, Mr MA hoped that the WKCD project could be completed on schedule, and being an ex-member of the WKCDA Board, he had made various suggestions to improve the financial situation of WKCDA although many of them were not supported by other Board members. Mr MA then asked about:</p> <p>(a) why WKCDA still faced the problem of a mismatch in the timing of cashflows in spite of the implementation of EFA in January 2017 and why the problem had not been timely reported to the WKCDA Board; and</p>	

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		<p>(b) whether WKCDA could expedite the implementation of EFA to provide the Authority with the income to offset the operational expenses.</p> <p>The Chairman of the WKCDA Board responded that:</p> <p>(a) the problem of a mismatch in the timing of cashflows had been brought to the attention of the WKCDA Board and the Joint Subcommittee at their respective meetings since October 2017 and February 2018 after he took office; and</p> <p>(b) the deferred possession of the WKCD site for around five years due to the XRL project rendered it impossible for an early development of IB, which was a pre-requisite of the topside commercial developments, hence worsening the financial situation of WKCDA.</p>	
004546-005245	Chairman Dr Helena WONG WKCDA	<p>Dr WONG expressed similar concern over the deterioration in WKCDA's estimated operating deficit, and enquired about:</p> <p>(a) the reasons for the significant increase in the planning for WKCD and project management expenses from the originally reserve amount of \$1.3 billion to the estimated amount of \$4.2 billion by the end of the 2019-2020 financial year, and how WKCDA would be held accountable for the overspending; and</p> <p>(b) given that the balance of the upfront endowment only stood at \$10.2 billion by the end of the 2019-2020 financial year, how WKCDA would sustain its operation in future; whether the upfront endowment was still estimated to be sufficient to cover the costs of the design and construction of the Batch 1 and most of the Batch 2 facilities, and if not, whether the Administration would seek funds from LegCo.</p> <p>WKCDA advised that:</p> <p>(a) according to the estimation of WKCDA, the upfront endowment and investment income would be sufficient to cover the costs of the design and construction of the Batch 1 and most of the Batch 2 facilities, while the implementation programme of the Batch 3 facilities would be subject to the availability of funds; and</p>	

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		<p>(b) regarding the accountability of the spending, the WKCDA Board, of which three directors of bureaux were Board Members, has been closely monitoring the financial situation of WKCDA. Moreover, the Authority had adhered to the fiscal principle of "spend where necessary and save where possible".</p>	
005246-005759	<p>Chairman Mr KWONG Chun-yu WKCDA</p>	<p>Mr KWONG also expressed concern over the deterioration in WKCDA's estimated operating deficit, and asked about:</p> <p>(a) whether WKCDA would seek funds from LegCo or raise loans to sustain its operation; and</p> <p>(b) whether the deficit problem of WKCDA was being monitored.</p> <p>WKCDA reiterated that it was working with financial advisors on its long-term financial projection and exploring with the Administration various financing options under EFA, details of which would be reported to the Joint Subcommittee once available. In response to Mr KWONG's request for further clarification on the need to seek funding from LegCo, the Chairman of the WKCDA Board indicated that he fully expected the Authority would return to LegCo for funding.</p> <p>The Administration reiterated that the forms of financial support to the Authority could be firmed up only after completion of WKCDA's long-term financial projection.</p>	
005800-010634	<p>Chairman Mr CHAN Chi-chuen Administration</p>	<p>Mr CHAN called on the Administration to notify Members as early as possible if it intended to seek further funding from LegCo for the WKCD project. He then enquired about:</p> <p>(a) whether and how the projections under EFA would change amid the recent global political and economic situation;</p> <p>(b) information about the long-term financial projection of WKCDA; and</p> <p>(c) in addition to the donation of \$3.5 billion by the Hong Kong Jockey Club Charities Trust ("HKJCCT") for the capital costs of HKPM,</p>	

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		<p>whether WKCDA would seek sponsorship from HKJCCT for the operation costs of HKPM.</p> <p>The Administration advised that:</p> <p>(a) the total budget for the design and construction of WKCD facilities, major repair and renovation of various facilities, collection acquisition and related costs for M+ as well as planning of WKCD and project management amounted to over \$27 billion, far exceeded the upfront endowment of \$21.6 billion. Also, the "City Park" conceptual plan characterized by the development of IB in WKCD and the 15% increase of GFA was not envisaged when the upfront endowment was granted to WKCDA in 2008;</p> <p>(b) WKCDA's current annual deficit was understandable as the income generated by WKCDA from letting out the retail, dining and entertainment facilities, venue hiring, souvenir sales and car park fees, etc. had fallen short of its expenditures. In fact, for major ACF around the world, the cost recovery rates were generally only about 30% and at best at 40%. Operation of these ACF had to be subsidized by other funding sources, and in the case of WKCD, the rental income from future HOR developments;</p> <p>(c) to support the development and operation of WKCD, the Administration implemented EFA in 2017 by granting the development rights over the entire HOR portion of WKCD to WKCDA. Under EFA, WKCDA could take forward the HOR developments through Build-Operate-Transfer ("BOT") and share the rental income with private developers during the BOT period, so as to support the operation of ACF and repay loans raised by the Authority to tide over the interim deficit. Upon expiry of the BOT agreements when the HOR developments would be reverted to WKCDA, the Administration could then share the income generated from these developments with WKCDA;</p> <p>(d) in fact a funding gap in 2022/2023 was already anticipated under EFA. However, the relevant projects had to be reviewed under the long-term financial projection of WKCDA due to many unforeseeable factors/developments, including the</p>	

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		<p>termination of the employment of Hsin Chong Construction Company Limited ("HCC") under the M+ main works contract in 2018, the outbreak of the social incidents in 2019 and the COVID-19 pandemic in 2020, which had an impact on the financial situation of WKCDA. The way ahead could not be formulated until the exact magnitude of the funding gap had been worked out after the long-term financial projection; and</p> <p>(e) while WKCDA indicated that funding support from the Government was one of the options, under the Public Finance Ordinance (Cap. 2), only FS was empowered to request funds from the Finance Committee ("FC") of LegCo. Moreover, WKCDAO stipulated that FS's approval was needed for external borrowing, and if WKCDA would like to have Government guarantee for the external borrowing, LegCo or its FC might by resolution authorize FS to grant on behalf of the Government guarantee. As WKCDA's long-term financial projection was still being prepared, the Administration could only examine the need for Government support upon completion of the financial projection.</p>	
010635-011234	Chairman Mr LAU Kwok-fan WKCDA	<p>Mr LAU asked about:</p> <p>(a) as only a few WKCD facilities had been opened, whether the Authority would deploy some of its existing staff to promote arts development and provide arts education; and</p> <p>(b) when WKCDA would take forward the HOR developments under EFA and provide information about its long-term financial projection.</p> <p>WKCDA responded that:</p> <p>(a) the Authority would ensure best value of money in the course of the implementation of the WKCD project; and</p> <p>(b) the completion of IB in Zone 2 ("IBZ2") was a pre-requisite of the topside HOR developments. With the funding approval by FC in March 2020, the IBZ2 project was scheduled for completion in phases starting from 2025.</p>	

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011235-011835	Chairman Administration WKCDA	<p>The Chairman said that he was a member of the WKCDA Board when it was first formed in 2008, at the time when the Board was also chaired by the incumbent Chairman of the Board. He had been fully aware of various difficulties to be encountered by WKCDA in the implementation of the WKCD project. He then asked when the long-term financial projection of WKCDA would be available.</p> <p>WKCDA reiterated/added that:</p> <p>(a) the long-term financial projection of WKCDA was under review and the information would be provided to LegCo once available; and</p> <p>(b) while it was clear that the upfront endowment would be insufficient to develop all the WKCD facilities, WKCDA initially hoped that the income generated from the commercial developments would be able to support the operation of ACF in a timely manner. The unforeseeable factors/developments mentioned above however resulted in a delay in the completion of IB and the topside commercial developments, and hence a prolonged mismatch in the timing of cashflows.</p> <p>The Administration added that in response to an earlier enquiry by a member about the operation costs of HKPM, the Administration indicated that the capital costs of HKPM were about \$3 billion and HKJCCT had agreed the use of the remaining balance of the donation (about \$0.5 billion) by WKCDA for staging exhibitions at HKPM. Moreover, funds for the recurrent operation of HKPM had been earmarked under EFA.</p>	
Agenda Item IV – Update on the development of M+ and Hong Kong Palace Museum			
011836-013629	Chairman WKCDA	Briefing and powerpoint presentation by WKCDA [LC Paper Nos. CB(1)668/19-20(03) and CB(1)705/19-20(01)]	
013630-014039	Chairman Ms Tanya CHAN WKCDA	<p>Ms CHAN asked about:</p> <p>(a) the latest position of the follow-up work by WKCDA on the cases of two subcontractors previously employed by HCC under the M+ project who had yet to receive payments;</p> <p>(b) details of the curatorial programmes to be held at M+; and</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>(c) the estimated annual operation costs of HKPM.</p> <p>WKCDA responded that:</p> <p>(a) the M+ collections would be presented at the exhibition area in M+ divided into 33 galleries. For example, the Main Hall Gallery would be set for a thematic exhibition on Hong Kong, called Hong Kong: Here and Beyond, whereas the East, South and North Galleries would be dedicated for showcasing collections relating to design and architecture, ink and visual art, and Sigg Collection respectively. Meanwhile, collections like those from the "King of Kowloon" would be displayed at the open space of M+; and</p> <p>(b) the Authority was currently focusing on the preparation for the commissioning of HKPM in about two years' time and an estimation on the annual operating expenses of HKPM was still being made. HKPM would eventually have about 130 staff members and the staff cost would account for about 20% to 30% of the recurring expense of the museum.</p>	
014040-014657	Chairman Dr Helena WONG WKCDA	<p>Dr WONG enquired about:</p> <p>(a) salient features and themes of the Hong Kong works and items in the M+ collections and whether the percentage of these artworks (currently about 20% to 28% of the M+ collections) could be further increased;</p> <p>(b) whether WKCDA would be required to pay any loan fees and costs for collections of the Palace Museum to be on loan to and displayed at HKPM; if so, of the details, including the percentage of such expense out of the total operation costs of HKPM;</p> <p>(c) how HKPM could achieve the vision of presenting collections of the Palace Museum from a Hong Kong perspective and with a global vision, and distinguish it from the Palace Museum in terms of museum's positioning; and</p> <p>(d) in addition to collections from the Palace Museum, whether HKPM would display</p>	

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		<p>treasures across the world; if so, the different positioning of HKPM and M+ on the collection of artworks.</p> <p>WKCD A advised that:</p> <ul style="list-style-type: none"> (a) M+ would contextualize Hong Kong creators in a global context, presenting their collections from a Hong Kong perspective with a global vision and the Hong Kong artworks would be put on an equal footing with the international artworks when displaying at M+. 20% to 28% of the collection was from Hong Kong; (b) the M+ acquisitions were based on the aesthetic value of the artworks and who could earn their place among the best in the world. M+ would not set a cap on the Hong Kong artworks to be acquired; (c) at present, the Leisure and Cultural Services Department ("LCSD") had to pay loan fees and costs (e.g. cost of insurance) for exhibiting collections on loan from the Palace Museum. HKPM would take reference from the LCSD's practice and discuss with the Palace Museum on the detailed loan arrangement once it had completed the selection of treasures to be showcased at HKPM; (d) to foster the understanding and appreciation of Chinese art and culture from a Hong Kong perspective and with a global vision, HKPM would display collections of the Palace Museum from a daily life perspective of Hong Kong given that most of the HKPM visitors would come from Hong Kong. HKPM would also explore the feasibility of working with local artists and overseas museums to encourage cross-cultural dialogue among Hong Kong, Chinese and other cultures through creation of artworks, etc.; and (e) the special exhibition galleries of HKPM would present exhibitions featuring Chinese art and art from other parts of the world in dialogue with Chinese culture and each exhibition would last for three to six months. 	

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014658-015105	Chairman Ms Claudia MO WKCDA	<p>Ms MO hoped that WKCDA could put M+ in the same league as world-class museums like the Centre Pompidou in France. She then asked about:</p> <p>(a) with \$1.2 billion tranche of funds earmarked for the M+ acquisitions, how WKCDA made the decision of acquiring the Hong Kong artworks and avoided cronyism during the process, and whether the percentage of the Hong Kong artworks in the M+ collections could be further increased; and</p> <p>(b) the estimated annual operating expense of HKPM and whether a fee would be required for admission to HKPM.</p> <p>WKCDA responded that:</p> <p>(a) M+'s vision was to be an institution of equivalent status as the Centre Pompidou. The Authority was committed to developing M+ into one of the largest museums of modern and contemporary visual culture in the world, and there would be a significant presence of the Hong Kong artworks in M+;</p> <p>(b) the M+ Acquisitions Committee under the M+ Board was responsible for reviewing and approving M+ acquisitions and the acquisition decision made was based on expertise and according to the M+ Acquisition Policy. There was absolutely no cronyism. To avoid any attempt of exerting undue influence on the acquisition decision, all WKCDA Board/Committee members were subject to the strict regulations against conflict of interest; and</p> <p>(c) the financial projection of HKPM was not available at the moment as the admission policy of HKPM, which was under study, was subject to the approval of the WKCDA Board. Also, HKPM had to discuss with the Palace Museum on the detailed loan arrangement. More information would be shared with LegCo once available.</p>	
015106-015524	Chairman Administration WKCDA	<p>The Chairman enquired about the security measures to be put in place to protect the treasures kept by WKCDA.</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>The Administration indicated that:</p> <ul style="list-style-type: none"> (a) there had been brief discussions on the security arrangements of WKCD facilities at the meetings of the WKCDA Board; and (b) in view of the social incidents in 2019, the security arrangements had been reviewed and further enhanced. <p>The Administration advised that WKCDA had engaged a team of staff with experience in security management. In the light of the social incidents took place last year, the relevant committees of the Board had reviewed and adjusted the security arrangements. However, for security consideration it would not be appropriate to divulge details of these plans and arrangements.</p> <p>WKCDA advised that:</p> <ul style="list-style-type: none"> (a) security issues were forefront in the mind of the Authority. The Authority had put in place various security measures to ensure a high level of security for its facilities which had to be certified by the International Council of Museums (for M+) and the Palace Museum (for HKPM) as up to standard. These measures included adoption of enhanced security features for the building design of the M+ Conservation and Storage Facility and HKPM, recruitment of inhouse professional security staff as well as engagement of specialist security services; and (b) the Authority had also maintained close contact with the Police in the security arrangements. Due to security concerns, further information about the security measures could not be disclosed. 	
015525-020007	Chairman Ms Tanya CHAN WKCDA	<p>Ms CHAN asked about:</p> <ul style="list-style-type: none"> (a) the estimated staff number and annual operation costs of M+; (b) the progress in seeking sponsorship (e.g. making available some parts for naming) for M+ and HKPM with a view to supporting their operation; and 	

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		<p>(c) staff training and development for M+ and HKPM, including cooperation with local tertiary institutions on the matter.</p> <p>WKCDA responded that:</p> <p>(a) unlike HKPM with long-term loans from the Palace Museum, M+ acquired and managed its own collections. Upon full operation of M+, there would be about 250 staff members;</p> <p>(b) it was hoped to achieve a cost recovery rate of 20% to 30% for M+. Moreover, the Authority had planned to seek sponsorships but the relevant work had been put on hold as a result of the COVID-19 pandemic; and</p> <p>(c) as local museum professionals were in short supply, HKPM would provide training programmes in cooperation with overseas tertiary institutions as well as on-the-job training for the newly recruited staff, and in the long run, nurture local talents for the museum profession in Hong Kong.</p>	
Agenda Item V – Any other business			
020008-020242	Chairman	Closing remarks	