

立法會 *Legislative Council*

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

Meeting on 7 June 2021

Updated background brief on the development of the Hong Kong Palace Museum

Purpose

This paper provides background information on the Hong Kong Palace Museum ("HKPM") project in the West Kowloon Cultural District ("WKCD"). It also summarizes the views and concerns expressed by Members on the subject at meetings of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") and relevant committees of the Legislative Council ("LegCo") since January 2017.

Background

2. On 23 December 2016, the West Kowloon Cultural District Authority ("WKCDA") announced the signing of a Memorandum of Understanding of Cooperation ("MOU") between WKCDA and the Palace Museum in Beijing to launch a new museum in WKCD with long-term loans from the Palace Museum.¹ Under this special arrangement, HKPM will be established by WKCDA as a new focal point of WKCD for displaying the visual culture of historical Chinese art from the imperial courts. The Hong Kong Jockey Club Charities Trust has agreed to donate \$3.5 billion to fund the capital cost of the project, covering design, construction and exhibition development cost. Its location is shown on the schematic plan of WKCD facilities in **Appendix I**.

¹ A copy of the MOU (Chinese version only) is given at [Annex B to LC Paper No. CB\(2\)544/16-17\(01\)](#).

3. Following the signing of the said MOU, WKCDA conducted a public consultation exercise from 11 January to 8 March 2017 to collect public views on the HKPM project generally and, in particular, on its design, programming, learning and interpretation opportunities. An independent consultant, the Consumer Search Group ("CSG"), was appointed by WKCDA to conduct an analysis of all the submissions and views received during the public consultation period. WKCDA also commissioned CSG to conduct a territory-wide public opinion poll on the HKPM project from 28 February to 7 March 2017.²

4. On 29 June 2017, WKCDA signed a Collaborative Agreement with the Palace Museum on the development of HKPM, setting out the major principles of collaboration, including the overall roles and responsibilities of WKCDA and the Palace Museum in the HKPM project, the governance structure of HKPM, funding arrangement as well as the general framework for loans of collections and other operational matters. Members may refer to [LC Paper No. CB\(1\)1243/16-17\(01\)](#) for details of the Collaborative Agreement (Chinese version only).

Construction progress of the Hong Kong Palace Museum Building

5. Following the approval of the WKCDA Board on the scheme design of HKPM by Rocco Design Architects Limited ("RDA") in September 2017 (a digital rendering of HKPM is in **Appendix II**), WKCDA conducted public engagement from October to November 2017 to update the public on the progress of the design of HKPM. In March 2019, WKCDA awarded the HKPM main works contract, at the value between \$2.1 billion and \$2.2 billion, to China State Construction Engineering (Hong Kong) Limited ("CSCE").

6. At the meeting of the Joint Subcommittee on 18 January 2021, WKCDA briefed members on the progress of the WKCD development, including the construction progress of HKPM. WKCDA advised that the structure of the HKPM building had been substantially completed. Due to the Coronavirus Disease 2019 pandemic, progress on the HKPM building was approximately seven weeks behind schedule as at January 2021. Effort had been made to catch up and WKCDA remained confident that construction would be completed at the end of 2021 in accordance with the works contract with opening targeted in mid-2022.

² The Report on the Analysis of Views for the Public Consultation Exercise on the Proposed HKPM Project was issued to members vide [LC Paper No. CB\(1\)924/16-17\(01\)](#).

Major views and concerns expressed by Members

7. Issues relating to the development of HKPM in WKCD were raised by Members at meetings of the House Committee and the Joint Subcommittee. Members expressed divergent views on the matter. Their major views and concerns are summarized in the ensuing paragraphs.

Development of a Hong Kong Palace Museum in the West Kowloon Cultural District

8. Some Members supported the development of HKPM in WKCD. They considered that HKPM would offer good educational value and could facilitate Hong Kong's cultural development and a better understanding of Chinese culture and history. In addition, HKPM would benefit M+ and WKCD by attracting more tourists to Hong Kong. The competitiveness of Hong Kong's tourism industry would be enhanced, thus benefiting Hong Kong's tourism and economy.

9. However, some Members expressed dissatisfaction with the Administration/WKCDA bypassing LegCo in making a drastic change to the original scheme of development of arts and cultural facilities in WKCD, i.e. replacing Mega Performance Venue ("MPV") by HKPM. Pointing out that Hong Kong had a serious shortage of performance venues, they opined that MPV should be developed at the site in accordance with the approved Development Plan ("DP") for WKCD.³

10. As advised by WKCDA, it had taken into account all relevant factors, particularly business viability and the market environment when deciding not to proceed with MPV. The WKCDA Board considered that the long-term demand of the entertainment industry for a 35 000-seat mega venue could largely be met by the main stadium at the future Kai Tai Sports Park, while the 7 000- to 10 000-seat indoor sports centre might help fill the demand for an alternative medium-sized venue in the urban area. It was envisaged that competition from the Kai Tai Sports Park would seriously undermine the commercial viability of MPV and the prospect of attracting private financing.

³ WKCD is planned to be developed by means of a DP prepared by WKCDA under section 21 of the West Kowloon Cultural District Authority Ordinance (Cap. 601). After conducting a three-stage public engagement exercise, WKCDA selected in March 2011 the "City Park" conceptual plan designed by Foster + Partners as the preferred option for developing into a DP for WKCD. The WKCD DP was approved by the Chief Executive in Council in January 2013.

11. The Administration emphasized that the decision not to proceed with MPV was based purely on technical and business merits, and that part of the site would be made available for alternative use even without the HKPM project. HKPM would only take up 10 000 square metres ("sq m") of the MPV/Exhibition Centre ("EC") site, and around 28 000 sq m would still be available for the development of a multi-purpose venue for exhibition, convention and performance purposes.

12. Since the site for the HKPM project was part of the site reserved for the co-located MPV and EC, some Members expressed doubt on whether the use of the site for HKPM should require prior permission from the Town Planning Board ("TPB"). The Administration advised that the building of HKPM was a use that was always permitted under the approved DP and its proposed gross floor area and building height did not exceed the restrictions of the relevant sub-zone on DP. As such, development of the new museum at the site did not require fresh planning permission from TPB.

Public engagement

13. Some Members expressed concern on the lack of transparency and public consultation in the process leading to the signing of the MOU. As the HKPM project had been kept confidential until the Government's announcement on 23 December 2016, some Members queried whether WKCD had not complied with section 19 of the West Kowloon Cultural District Authority Ordinance (Cap. 601) ("WKCDAO").⁴

14. According to the Administration, the development and operation of WKCD involved a wide range of matters covering not only the building and operation of arts and cultural facilities, but also the planning and operation of commercial facilities, public open space and other communal facilities. As the nature and circumstances of different proposals or projects varied, the stakeholders involved in public consultation, the manner and procedure adopted, as well as the timing and content for consultation would also differ. As such, WKCDAO provided WKCD with the flexibility to consult the public at such time and in such manner as it considered appropriate.

⁴ Section 19 of WKCDAO provides that without prejudice to section 21(3)(a), WKCD shall, in relation to matters concerning the development or operation of arts and cultural facilities, related facilities, ancillary facilities and any other matters as WKCD considers fit, consult the public at such time and in such manner as it considers appropriate. Section 21(3)(a) of WKCDAO provides that in preparing a development plan, WKCD shall consult the public at such time and in such manner as it considers appropriate.

15. At the Joint Subcommittee meeting on 29 May 2017, members discussed the outcome of the public consultation exercise on the HKPM project.⁵ Some members queried that, by extending the six-week consultation period for two weeks until 8 March 2017 and conducting in parallel a public opinion poll during the extended period of public consultation, WKCDA was making an attempt to soften the unfavourable feedback received via paper and online questionnaires. Members also queried why WKCDA had not indicated its intention to conduct a public opinion poll when it announced the commencement of the public consultation exercise in January 2017 and the extension of it on 14 February 2017.

16. WKCDA advised that the eight-week consultation exercise had fully met all relevant requirements under WKCDAO. It considered that the consultation had provided clear and adequate information about what was being proposed at the conceptual stage of the project, while leaving matters sufficiently open for respondents to give their views about the HKPM proposal in general and on detailed matters such as design, programming, learning and interpretation. WKCDA also pointed out that as it was a common practice for a public consultation exercise to include a public opinion poll, WKCDA had not highlighted this channel for collecting public opinion in its publicity. It further advised that according to the findings of the public opinion poll, 52% of the public were supportive (very supportive/supportive) to the development of the HKPM project and 14.7% were not supportive (not supportive at all/not supportive). The remaining 33.3% of the public had no opinion either way, i.e. neither supporting nor opposing the HKPM project.

Appointment of the main contractor

17. A query was raised on why CSCE, in spite of being suspended by the Development Bureau ("DEVB") from tendering for Government works categories of "Buildings (Group C)" during the tender period, was still awarded the HKPM main works contract. WKCDA advised that its tender conditions for building works in considering the eligibility of tenderers were generally modelled upon DEVB's Standard General Conditions of Tender. However, WKCDA had the discretion to consider tenders submitted by tenderers under suspension by DEVB. In accordance with the provisions in the tender document, WKCDA might accept an exception if the tenderer provided a written application for such exception at the time of submission of the tender. CSCE applied for an exception to suspension when it submitted the tender for the HKPM main works contract. The application for exception

⁵ A paper on the "Outcome of the public consultation exercise on the HKPM project" ([LC Paper No. CB\(1\)995/16-17\(01\)](#)) was submitted by WKCDA for discussion at the meeting.

was carefully considered by the Tender Assessment Panel of WKCDA and approved by the Development Committee of WKCDA. The tender submission of CSCE was considered at the same time and against the same criteria as other tenderers. As CSCE obtained the highest score in the overall tender assessment which comprised assessment of both technical and price elements, it was assessed to be the winning tenderer.

Cultural software development and future positioning

18. In view of the target opening of HKPM in mid-2022, Members enquired about the efforts in raising public awareness on HKPM and its collections, such as collaborations with museums under the management of the Leisure and Cultural Services Department ("LCSD") to promote HKPM through exhibitions on the collections of the Palace Museum at LCSD's museums. They also enquired about the future partnership of the Palace Museum, HKPM and LCSD after the opening of HKPM.

19. WKCDA advised that LCSD had been collaborating with the Palace Museum on educational activities and exhibitions on its collections at LCSD's museums. While HKPM, upon completion, would become the main venue for exhibiting the collections of the Palace Museum, WKCDA would continue to explore on suitable directions for co-operation among HKPM, LCSD and the Palace Museum in future.

20. Members also expressed concern about how HKPM could achieve its vision of presenting the collections of the Palace Museum from a Hong Kong perspective and with a global vision, and enquired about the different positioning of HKPM and M+ on the collection of artworks. WKCDA explained that HKPM would foster the understanding and appreciation of Chinese art and culture from a Hong Kong perspective and with a global vision through the display of collections of the Palace Museum from a daily life perspective of 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. 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.

Planning of exhibitions

21. With regards to the exhibition of treasures, Members enquired about the loan fees and costs for collections of the Palace Museum to be on loan to and displayed at HKPM, and the related security arrangements. WKCDA advised that LCSD had to pay loan fees and costs (e.g. cost of insurance) for

exhibiting collections on loan from the Palace Museum. HKPM would make reference to the LCSD's practice and discuss with the Palace Museum on the detailed loan arrangement. In view of the high value of the collections, WKCDA had put in place various security measures to ensure a high level of security for its facilities which had to be certified by the Palace Museum. These measures included the adoption of enhanced security features for the building design of HKPM, recruitment of inhouse professional security staff as well as engagement of special security services. WKCDA had also maintained close contact with the Police in relation to security arrangement.

Operating costs and admission policy

22. At the Joint Subcommittee meeting on 1 June 2020, members enquired about the operating costs and admission policy of HKPM. WKCDA advised that the financial projection of HKPM was not available yet as its admission policy, which was under study, would be subject to the approval of WKCDA Board. WKCDA further explained that HKPM would employ about 130 staff members and the staff cost would account for about 20% to 30% of the recurrent expense of HKPM.

Staff training and development

23. Members noted that HKPM's staff recruitment would be undertaken in two phases. The first phase would focus on engaging the core personnel to ensure the timely completion of the delivery of HKPM and the second phase would be conducted when the Museum was in full operation to recruit the necessary manpower for the provision of effective and quality programmes and services for members of the public. In this connection, Members enquired about the staff training and development plan of HKPM, including its cooperation with the local tertiary institutions in nurturing talents for the museum profession. WKCDA advised that 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, with a view to nurturing local talents for the museum profession in Hong Kong in the long run.

Latest development

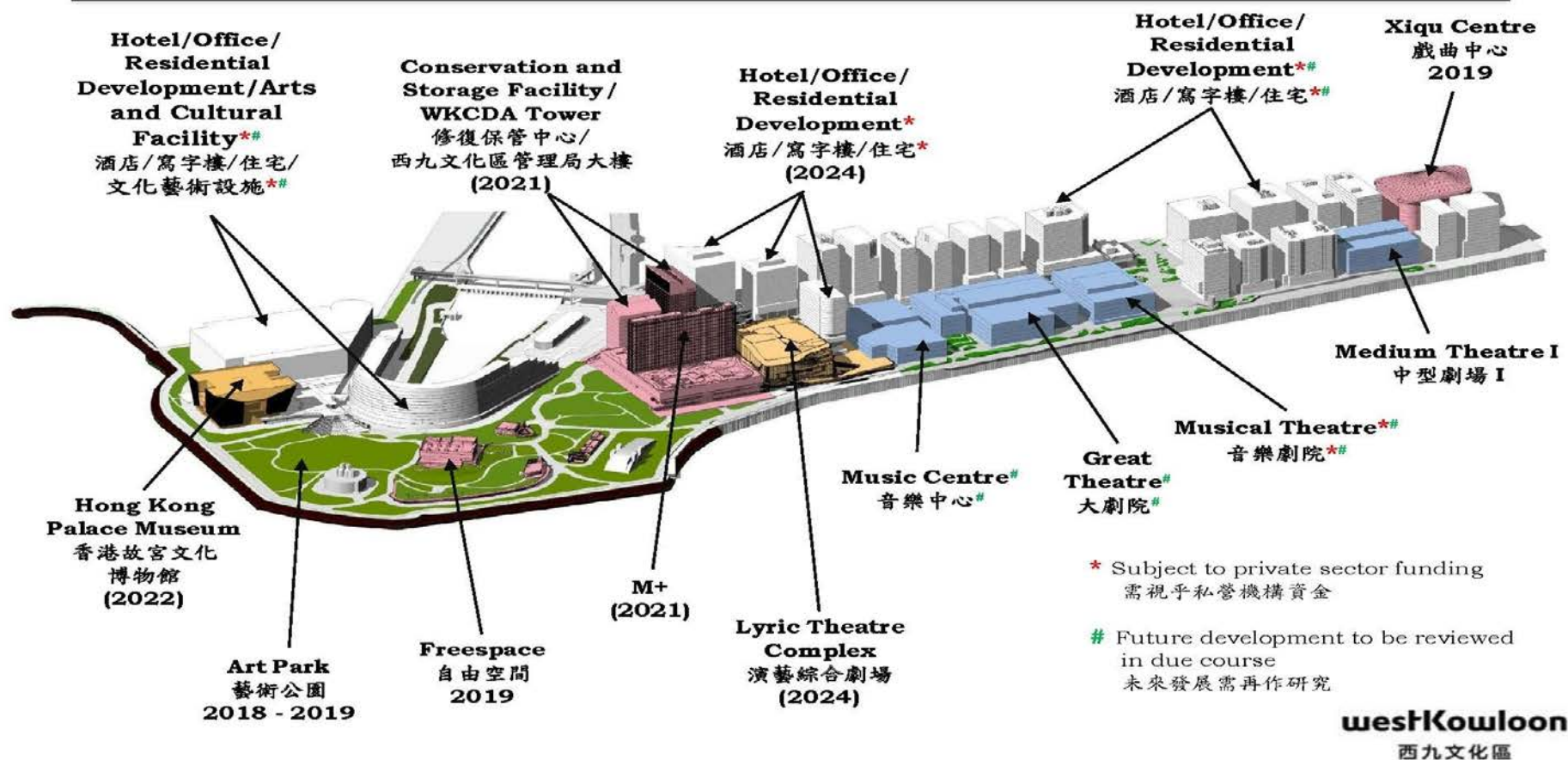
24. At the meeting of the Joint Subcommittee to be held on 7 June 2021, the Administration and WKCDA will update members on the latest development of HKPM.

Relevant papers

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

Council Business Division 1
Legislative Council Secretariat
3 June 2021

西九文化區設施示意圖(香港故宮文化博物館設於大型表演場地/展覽中心部分用地)
Schematic plan of West Kowloon Cultural District facilities
(Hong Kong Palace Museum is developed on part of the Mega Performance Venue/Exhibition Centre site)



資料來源: [立法會 CB\(1\)403/20-21\(01\)號文件的附件](#)
Source: Annex to [LC Paper No. CB\(1\)403/20-21\(01\)](#)

香港故宮文化博物館的數碼繪圖——西北方的外觀
Digital rendering of Hong Kong Palace Museum — View from North West



資料來源：[立法會CB\(1\)215/17-18\(04\)號文件的附件三](#)
Source: Annex 3 to [LC Paper No. CB\(1\)215/17-18\(04\)](#)

Development of Hong Kong Palace Museum

List of relevant papers

Council/Committee	Date of meeting	Paper
House Committee	6.1.2017 Item I	Agenda Verbatim Record of Proceedings
Council meeting	8.2.2017	An oral question on hatching of the project to develop a Hong Kong Palace Museum raised by Dr Hon Helena WONG [Hansard, pages 3263 to 3273]
		A written question on construction and operation of the Hong Kong Palace Museum raised by Hon YIU Si-wing [Hansard, pages 3348 to 3351]
Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	—	Letter from Dr Hon Helena WONG dated 17 February 2017 [LC Paper No. CB(1)576/16-17(01)] (Chinese version only) Administration's response to Dr Hon Helena WONG's letter dated 17 February 2017 [LC Paper No. CB(1)793/16-17(01)]
	21.2.2017 Item III	Agenda Minutes Response from the Administration and the West Kowloon Cultural District Authority to members' concerns raised at the meeting

Council/Committee	Date of meeting	Paper
	29.5.2017 Item I	Agenda Minutes Response from the West Kowloon Cultural District Authority to members' concerns raised at the meeting
	21.11.2017 Item V	Agenda Minutes
	6.11.2018 Item III	Agenda Minutes
	—	<p>Letters from Hon Tanya CHAN dated 29 March and 23 April 2019 [LC Paper Nos. CB(1)821/18-19(01) and CB(1)936/18-19(01)] (Chinese version only)</p> <p>The West Kowloon Cultural District Authority's response to Hon Tanya CHAN's letters dated 29 March and 23 April 2019 [LC Paper Nos. CB(1)906/18-19(01) and CB(1)1246/18-19(01)]</p>
	25.11.2019 Item IV	Agenda Minutes
	6.1.2020 Item II	Agenda Minutes
	1.6.2020 Item IV	Agenda Minutes
	18.1.2021 Item III	Agenda

Press releases issued by the Government and the West Kowloon Cultural District Authority ("WKCDA")

Date of issuance	Press release
23.12.2016	<p>Press release "Collaboration with Palace Museum to develop Hong Kong Palace Museum in West Kowloon Cultural District"</p> <p>Press release "Transcript of remarks by CS at press conference in Beijing on Hong Kong Palace Museum"</p> <p>Press release "WKCDA announces collaboration arrangement with the Palace Museum to establish a new museum in Hong Kong"</p>
9.5.2017	<p>Press release "Opening remarks by CS and Chairman of Board of WKCDA"</p> <p>Press release "WKCDA publishes the Report for the Public Consultation Exercise on the Hong Kong Palace Museum project"</p>
29.6.2017	<p>Press release "WKCDA announces signing of Collaborative Agreement to establish the Hong Kong Palace Museum"</p>