

## **ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 703 – BUILDINGS**

#### **Fitting out – Others**

#### **404IO – Conversion of the Old Wan Chai Police Station into the Headquarters of an International Inter-governmental Organization**

Members are invited to recommend to the Finance Committee the upgrading of **404IO** to Category A at an estimated cost of \$466.6 million in money-of-the-day prices for the conversion of the Old Wan Chai Police Station into the headquarters of the International Organization for Mediation.

### **PROBLEM**

We need to convert the Old Wan Chai Police Station (OWCPS) into the headquarters of the International Organization for Mediation (IOMed), an international inter-governmental organization to be established.

### **PROPOSAL**

2. The Director of Architectural Services, with the support of the Secretary for Justice, proposes upgrading **404IO** to Category A at an estimated cost of \$466.6 million in money-of-the-day (MOD) prices.

**/PROJECT .....**

## PROJECT SCOPE AND NATURE

3. The project site occupies an area of about 1 960 square metres (m<sup>2</sup>). The proposed project is for the conversion of the existing OWCPS into the headquarters of the IOMed to provide office, mediation and related supporting facilities to meet the operational needs of the IOMed, which comprises –

- (a) mediation facilities, multi-purpose/conference rooms of various sizes;
- (b) reception and entrances, waiting and security screening areas;
- (c) a library;
- (d) social exchange areas/work stations for participants in the mediation proceedings;
- (e) back of house areas, including archives and record storage, general storage, photocopying rooms, etc.; and
- (f) ancillary facilities including toilets, pantries, a lactation room, a building management office, outdoor car parking spaces, etc.

4. The OWCPS was designated as a Grade 2 historic building on 18 December 2009. To preserve the heritage value of the building, we have carried out an assessment of the heritage impact of the proposed works and have taken steps to minimize the impact on or alteration to the original building in the planning of the conversion works. The proposed project will adopt the principles of minimal intervention and reversibility such that changes or disturbance to the historic building will be kept to a minimum and through appropriate mitigation measures, the cultural significance of the building can be retained. The key proposed works for conservation in the conversion project includes –

- (a) Overall site approach

The OWCPS will be adaptively reused as the headquarters of the IOMed. Intrusive elements on the existing building will be removed to reveal the original design of the historic building. The setting and U-shaped floor layout will be retained.

/(b) .....

## (b) Renovation, restoration and adaptation works

The main façade facing Gloucester Road will be preserved with the demolition of later-added partitions at verandahs to reveal the original building design of the open verandahs, which is a key character defining element to demonstrate the architectural significance of the OWCPs. Other key character defining elements of high significance, including timber windows/doors, rectangular pediment with a flagpole, authentic spaces such as cells, armoury rooms and exposed fireplaces, will be preserved/reused as far as practicable.

Any new alteration and additional works to the façade of the building will be at less obstructive locations and will not affect the character exemplified by the main façades of the building and the U-shaped layout. The new alteration and additional works will be of compatible design and distinguishable from the existing building fabrics.

5. A site and location plan, a sectional drawing and a barrier-free access plan for the project and a photo of the existing OWCPs are at **Enclosures 1 to 4** respectively.

6. As agreed by the parties participating in the negotiation of an international convention for the establishment of the IOMed (IOMed Convention), the headquarters should be made available within 2025 to facilitate early commencement of operation of the IOMed once the negotiations have been successfully concluded in the near future. A consensus has recently been reached by the negotiation parties for the headquarters of the IOMed to be established in Hong Kong. We plan to commence the proposed works upon obtaining funding approval from the Finance Committee (FC) for target substantial completion in around one and a half years by mid-2025 in order to meet the said timeline. The contract will be awarded once funding approval from the FC is available.

## JUSTIFICATION

### Background

7. Under the National 14th Five-Year Plan and the Greater Bay Area Development Plan, the Central People's Government (CPG) has strategically positioned Hong Kong as an international legal and dispute resolution services

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centre in the Asia Pacific region. With a view to raising Hong Kong's international profile and promoting the strengths of and opportunities for Hong Kong's legal and dispute resolution services, it is the Department of Justice (DoJ)'s ongoing policy initiative to strengthen cooperation with renowned international legal and dispute resolution bodies and attracting their presence to or carrying out of activities in Hong Kong.

*Bid for hosting the IOMed headquarters in Hong Kong*

8. The People's Republic of China signed the Joint Statement on the Future Establishment of the IOMed (Joint Statement) with a number of interested States in 2022. With the staunch support from the CPG, the IOMed Preparatory Office (Preparatory Office) was established in Hong Kong in early 2023 pursuant to the Joint Statement.

9. The Preparatory Office was established to carry out the preparatory work and conduct the negotiation of the IOMed Convention. The IOMed, once established, will be the first international inter-governmental legal organization in the world specializing in settlement of international disputes by mediation that provides friendly, flexible, economical and efficient mediation services for international disputes. It will be a useful supplement to the existing dispute resolution institutions and means of dispute resolution, providing a new platform for the peaceful settlement of international disputes.

10. Since its inauguration ceremony on 16 February 2023, the Preparatory Office has successfully held three rounds of negotiations for the IOMed Convention in Hong Kong. On 30 November 2023, China submitted, in accordance with the relevant procedure, to the Preparatory Office an expression of interest for hosting the IOMed headquarters in Hong Kong, in which the OWCPs was identified as a suitable site for the purpose. At the third round of negotiation held in early 2024, it was agreed by consensus that, upon the establishment of the IOMed, China would be the host country of its headquarters, and the IOMed headquarters would be located in the Hong Kong Special Administrative Region (HKSAR) of China. The negotiation on the IOMed Convention is progressing in an orderly manner. Upon the adoption and entry into force of the IOMed Convention, the IOMed headquarters will be officially established in the HKSAR. The HKSAR Government will continue to robustly safeguard the future operation of the IOMed under the guidance and support of the CPG.

11. The IOMed headquarters to be established in Hong Kong will undoubtedly strengthen the city's position as an international legal and dispute resolution services centre and mark the first time for the headquarters of an international inter-governmental organization to be hosted in Hong Kong. The IOMed will also become the first and only international inter-governmental organization specializing in mediation for resolution of international disputes, on par with the International Court of Justice and the Permanent Court of Arbitration in The Hague, which specialize in other means of dispute resolution. Therefore, the establishment of the IOMed headquarters in Hong Kong would significantly raise the international profile of Hong Kong as a "capital" for mediation in the world, attracting dispute parties, mediators, lawyers and other professionals to Hong Kong for the purpose of mediation.

### Related timeline

12. As mentioned in paragraph 6 above, the site for the headquarters of the IOMed should be made available within 2025. In order to meet the said timeline, DoJ has been working closely with other relevant bureaux and departments to renovate the OWCPs on a fast-tracked basis in preparation of the site for future use by the IOMed as the headquarters, with the aim for substantial completion of the proposed works project by mid-2025.

## **FINANCIAL IMPLICATIONS**

13. We estimate the capital cost of the project to be \$466.6 million in MOD prices, broken down as follows –

	<b>\$ million (in MOD prices)</b>
(a) Site works	3.3
(b) Building <sup>1</sup>	164.4
(c) Building services <sup>2</sup>	152.7
	/(d) .....

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<sup>1</sup> Building works covers renovation of the existing building, conservation works, provision of finishes, fittings and fixtures and other associated works, which have to take into account the requirements for heritage conservation and constraints of the existing building structure.

<sup>2</sup> Building services works covers electrical, air-conditioning, fire services and other building services works, which have to take into account the requirements for heritage conservation and constraints of the existing building structure.

		\$ million (in MOD prices)
(d)	Drainage	4.3
(e)	External works	13.7
(f)	Energy conservation, green and recycled features	5.8
(g)	Furniture and equipment (F&E) <sup>3</sup>	65.8
(h)	Consultants' fees for	3.8
	(i) contract administration <sup>4</sup>	3.6
	(ii) management of resident site staff (RSS)	0.2
(i)	Remuneration of RSS	10.4
(j)	Contingencies	42.4
Total		<hr/> 466.6 <hr/>

14. We propose engaging consultants to undertake contract administration and site supervision of the project. A detailed breakdown of the estimate for consultants' fees and RSS costs by man-months is at **Enclosure 5**.

15. To enhance cost effectiveness, we adopt the principle of "fitness for purpose" in the design and construction of the project. The construction floor area (CFA) of the project is about 5 083 m<sup>2</sup>. The estimated construction unit cost, represented by the building and building services costs, is \$62,384 per m<sup>2</sup> of CFA in MOD prices. We consider the construction unit cost of this project is comparable to those of similar projects undertaken by the Government.

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<sup>3</sup> The estimated cost is based on an indicative list of F&E required which covers audio-visual systems, simultaneous interpretation and conference systems, security systems, electrical installations and furniture items etc.

<sup>4</sup> The estimated fee covers quantity surveying services.

16. Subject to funding approval, we plan to phase the expenditure as follows –

<b>Year</b>	<b>\$ million (in MOD prices)</b>
2024 – 25	128.7
2025 – 26	225.5
2026 – 27	49.9
2027 – 28	39.1
2028 – 29	23.4
	<hr/> 466.6 <hr/>

17. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period from 2024 to 2029. We will deliver the construction works under the New Engineering Contract (NEC) form<sup>5</sup>. We intend to award the contract on a cost-based contract form.

18. We estimate the annual recurrent expenditure arising from this project to be \$28.96 million.

## **PUBLIC CONSULTATION**

19. We consulted the Wan Chai District Council on 5 January 2024 and obtained members' support for the project.

20. We also consulted the Panel on Administration of Justice and Legal Services of the Legislative Council on 23 January 2024. Members expressed their support for the project and the submission of the funding proposal to the Public Works Subcommittee for consideration.

**/ENVIRONMENTAL .....**

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<sup>5</sup> NEC is a suite of contracts developed by the Institution of Civil Engineers in the United Kingdom. It is a contract form that emphasises cooperation, mutual trust and collaborative risk management between contracting parties.

## ENVIRONMENTAL IMPLICATIONS

21. The proposed project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). It will not cause long-term adverse environmental impacts. We have included in the project estimates the cost to implement suitable mitigation measures during construction to control short-term environmental impacts.

22. During construction, we will require the contractor to control the environmental impacts to within established standards and guidelines through the implementation of appropriate mitigation measures in the relevant contract. These measures include the use of silencers and mufflers for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities to suppress dust emission.

23. At the planning and design stages, we have considered measures to reduce the generation of construction waste where possible (e.g. using metal site hoardings and signboards so that these materials can be recycled or reused in other projects). In addition, we will require the contractor to reuse inert construction waste generated (e.g. use of excavated materials for filling within the site) on site or at other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities (PFRFs)<sup>6</sup>. We will encourage the contractor to maximise the use of recycled or recyclable inert construction waste and the use of non-timber formwork to further minimise the generation of construction waste.

24. At the construction stage, we will require the contractor to submit a plan setting out the waste management measures, which will include appropriate mitigation measures to avoid, reduce, reuse and recycle inert construction waste for approval. We will ensure that the day-to-day operations on site comply with the approved plan, and require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. We will control the disposal of inert construction waste and non-inert construction waste at PFRFs and landfills respectively through a trip-ticket system.

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<sup>6</sup> PFRFs are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N). Disposal of inert construction waste at PFRFs requires a licence issued by the Director of Civil Engineering and Development.



25. We estimate that the project will generate in total about 2 530 tonnes of construction waste. Of these, we will reuse about 40 tonnes (1.6%) of inert construction waste on site and deliver 1 180 tonnes (46.6%) of inert construction waste to PFRFs for subsequent reuse. We will dispose of the remaining 1 310 tonnes (51.8%) of non-inert construction waste at landfills. The total cost for disposal of construction waste at PFRFs and landfill sites is estimated to be \$0.6 million for this project (based on a unit charge rate of \$87 per tonne for disposal at PFRFs and \$365 per tonne at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N) and the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Amendment of Schedules) Notice 2023).

## **HERITAGE IMPLICATIONS**

26. In accordance with the prevailing requirements, since the OWCPs is a Grade 2 historic building, this project is subject to a Heritage Impact Assessment (HIA). The HIA report, in the form of a conservation management plan, was considered by the Antiquities and Monuments Office, which had no objection to the report. We also consulted the Antiquities Advisory Board on the HIA report at its meeting on 14 December 2023 and received its support. We will ensure that the construction works, future maintenance and interpretation of the site history will comply with the mitigation measures, recommendations and requirements stipulated in the HIA report.

## **LAND ACQUISITION**

27. The proposed works are to be carried out within the OWCPs situated on government land and do not require any land acquisition.

## **ENERGY CONSERVATION, GREEN AND RECYCLED FEATURES**

28. This project will adopt various forms of energy efficient features and renewable energy technologies, in particular –

- (a) demand control of supply air;
- (b) energy reclaim of exhaust air; and
- (c) photovoltaic system.

29. The total estimated cost for the above features is around \$5.8 million (including around \$1.4 million for energy efficient features), which has been included in the cost estimate of this project. The energy efficient features will achieve 10% energy savings in the annual energy consumption with a payback period of about eight years.

## BACKGROUND INFORMATION

30. We have engaged a consultant to undertake the reference design at a total cost of about \$1.7 million. The services provided by the consultant is funded under block allocation **Subhead 3100GX** “Project feasibility studies, minor investigations and consultants’ fees for items in Category D of the Public Works Programme”. The above consultancy services help finalise the scope and cost estimate of the project for seeking funding approval from the FC.

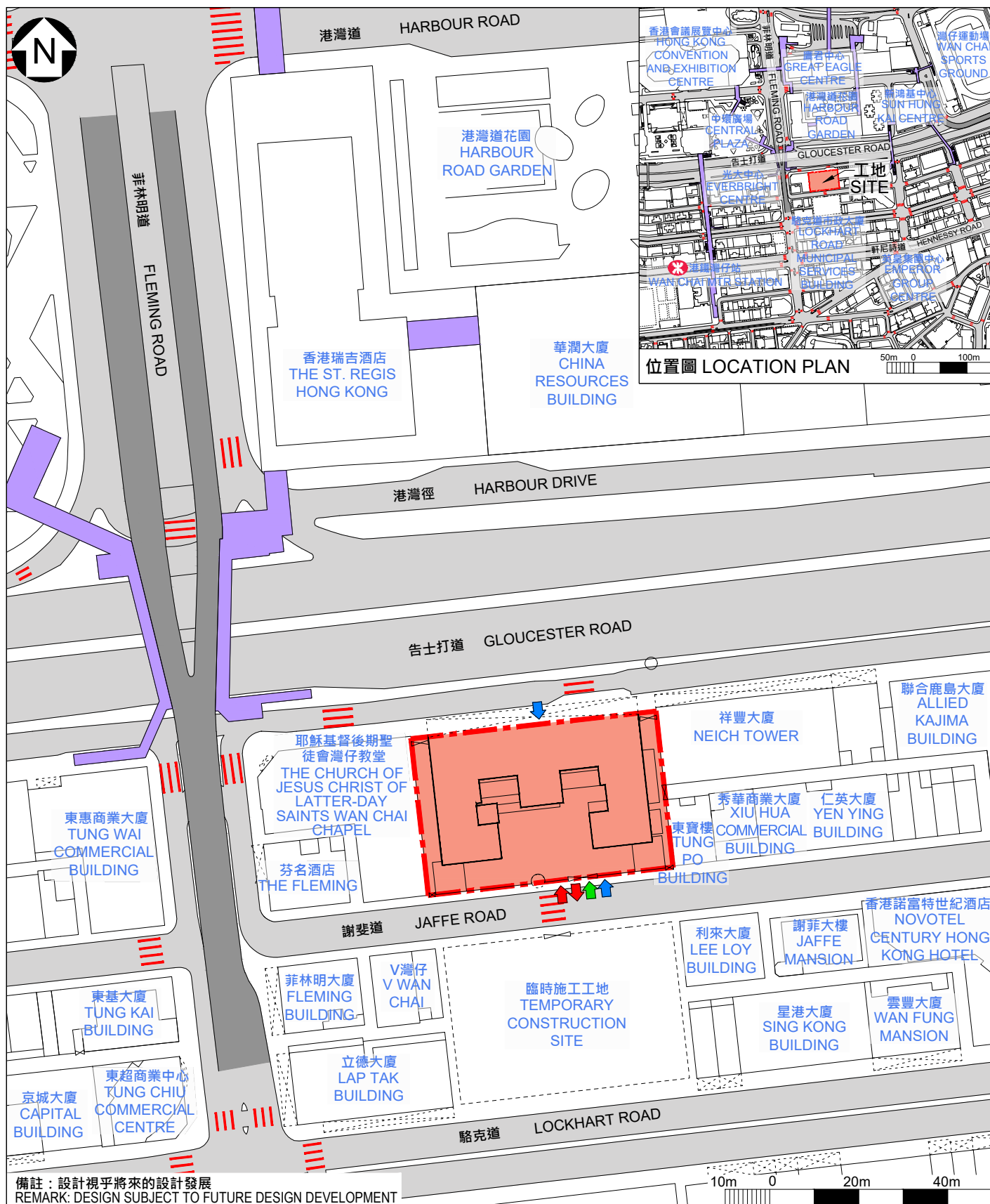
31. There are no trees within the project boundary. The proposed works will not involve any tree removal proposal.

32. We estimate that the proposed works will create about 215 jobs (195 for labourers and 20 for professional or technical staff) providing a total employment of 2 880 man-months.

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Department of Justice

February 2024



# 圖例 LEGEND

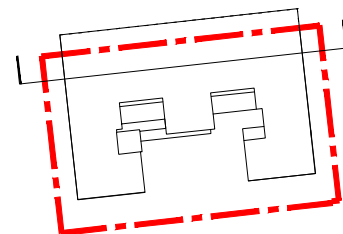
- |   |  |  |
|---|--|--|
|  工地界線<br>SITE BOUNDARY               |  現有行人過路處<br>EXISTING AT-GRADE PEDESTRIAN CROSSING |  現有行人天橋<br>EXISTING PEDESTRIAN FOOTBRIDGE |
|  車輛出入口<br>VEHICULAR INGRESS / EGRESS |  行人出入口<br>PEDESTRIAN ENTRANCE / EXIT              |  無障礙出入口<br>BARRIER-FREE ENTRANCE / EXIT   |

工地平面圖  
SITE PLAN

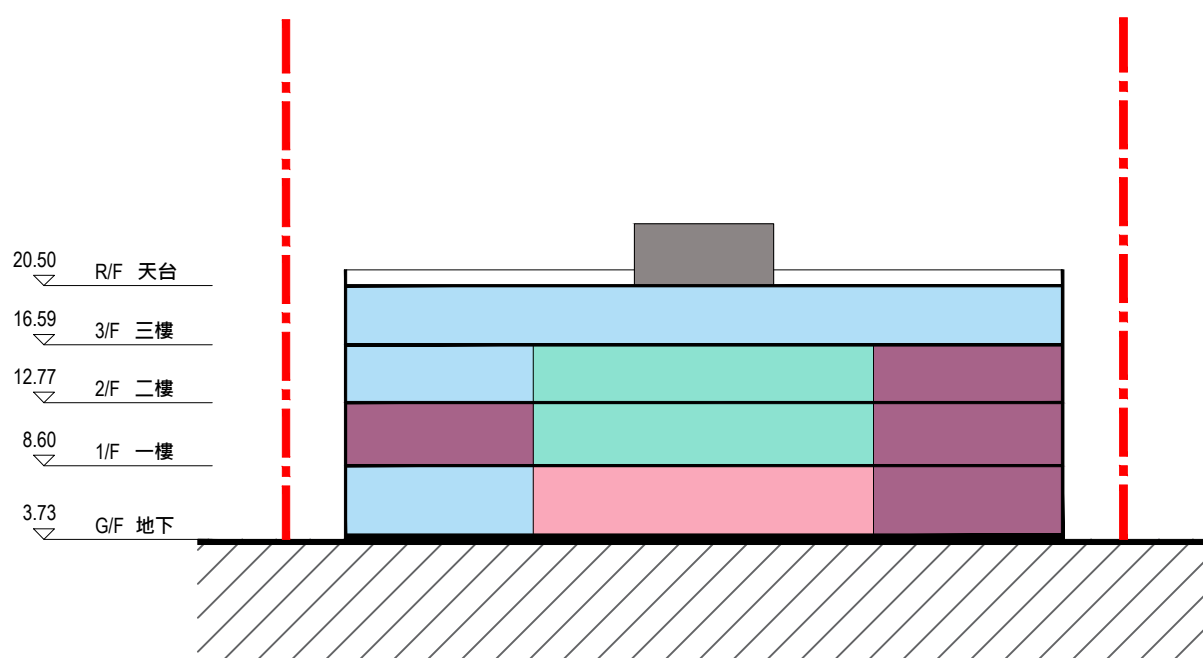
40410  
改建舊灣仔警署為政府間國際組織總部  
CONVERSION OF THE OLD WAN CHAI POLICE STATION INTO THE  
HEADQUARTERS OF AN INTERNATIONAL INTER-GOVERNMENTAL ORGANIZATION



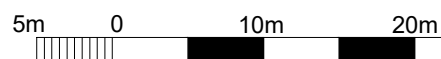
ARCHITECTURAL  
SERVICES  
DEPARTMENT 建築署



索引圖 KEY PLAN



備註：設計視乎將來的设计發展  
REMARK: DESIGN SUBJECT TO FUTURE DESIGN DEVELOPMENT



圖例 LEGEND

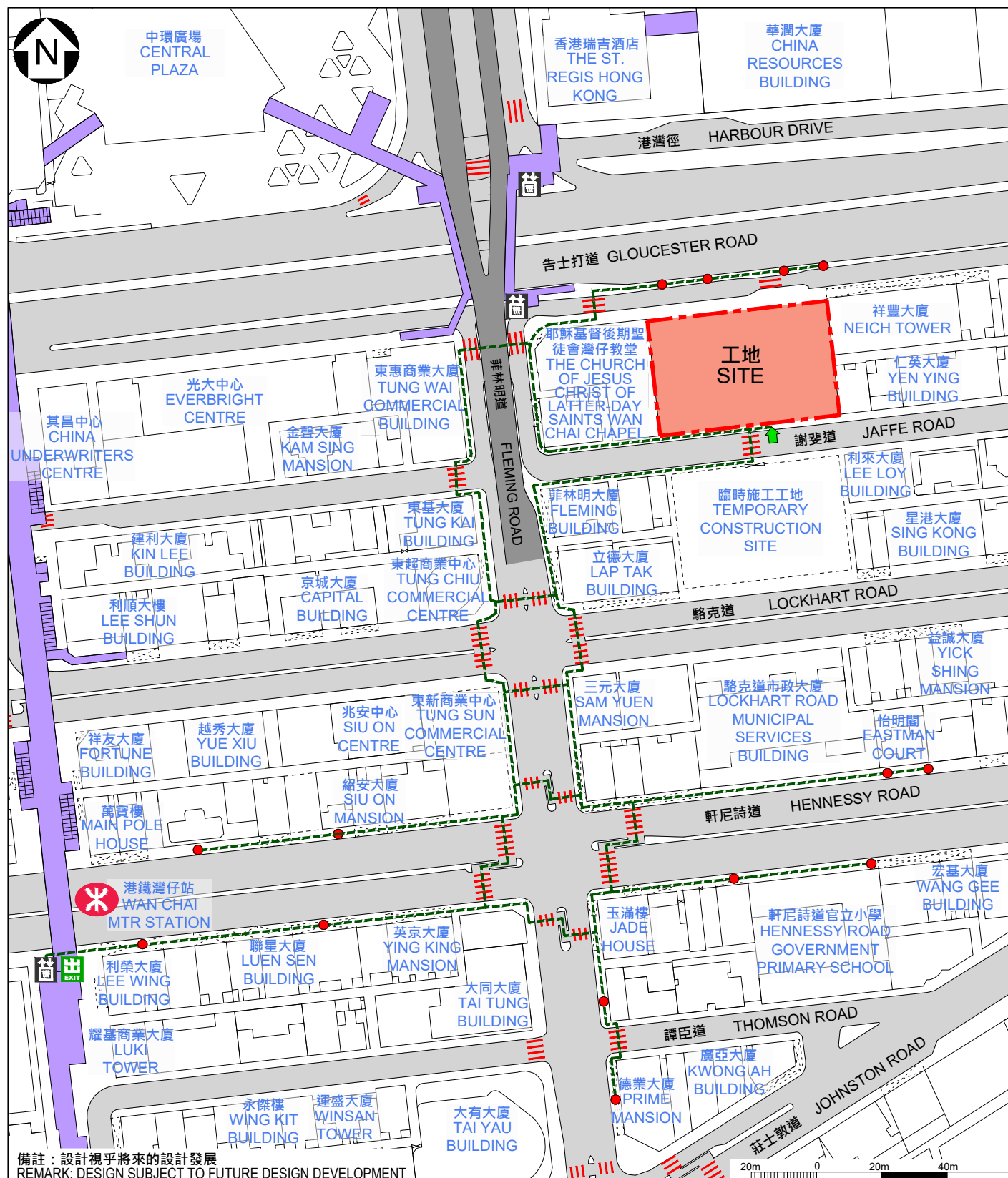
工地界線 SITE BOUNDARY	辦公室 OFFICE	接待區 RECEPTION AREA
會議室 CONFERENCE ROOM	調解設施 MEDIATION FACILITIES	機房 PLANT ROOM

剖面圖  
SECTION

404IO  
改建舊灣仔警署為政府間國際組織總部  
CONVERSION OF THE OLD WAN CHAI POLICE STATION INTO THE  
HEADQUARTERS OF AN INTERNATIONAL INTER-GOVERNMENTAL ORGANIZATION



ARCHITECTURAL  
SERVICES  
DEPARTMENT 建築署



# 圖例 LEGEND

- |  |  |  |   |  |  |
|--|--|--|---|--|--|
|  | 工地界線<br>SITE BOUNDARY                  |  | 現有行人過路處<br>EXISTING AT-GRADE PEDESTRIAN CROSSING  |  | 現有行人天橋<br>EXISTING PEDESTRIAN FOOTBRIDGE |
|  | 無障礙出入口<br>BARRIER-FREE ENTRANCE / EXIT |  | 無障礙通道(街道水平)<br>BARRIER-FREE ACCESS (STREET LEVEL) |  | 暢通易達升降機<br>ACCESSIBLE LIFT               |
|  | 現有巴士站<br>EXISTING BUS STOP             |  | 港鐵站出入口<br>MTR STATION ENTRANCE / EXIT             |  |  |

無障礙通道平面圖  
BARRIER-FREE  
ACCESS PLAN

404IO  
改建舊灣仔警署為政府間國際組織總部  
CONVERSION OF THE OLD WAN CHAI POLICE STATION INTO THE  
HEADQUARTERS OF AN INTERNATIONAL INTER-GOVERNMENTAL ORGANIZATION



ARCHITECTURAL  
SERVICES  
DEPARTMENT 建築署





現時舊灣仔警署的照片  
PHOTO OF EXISTING OLD  
WAN CHAI POLICE STATION

404IO  
改建舊灣仔警署為政府間國際組織總部  
CONVERSION OF THE OLD WAN CHAI POLICE STATION INTO THE HEADQUARTERS OF AN INTERNATIONAL INTER-GOVERNMENTAL  
ORGANIZATION



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DEPARTMENT 建築署

**404IO – Conversion of the Old Wan Chai Police Station into the  
Headquarters of an International Inter-governmental Organization**

**Breakdown of the estimates for consultants' fees and resident site staff costs  
(in September 2023 prices)**

		Estimated man- months	Average MPS* salary point	Multiplier (Note 1)	Estimated fee (\$ million)
(a) Consultants' fees for contract administration <sup>(Note 2)</sup>	Professional	–	–	–	2.5
	Technical	–	–	–	0.8
				Sub-total	3.3#
(b) Resident site staff (RSS) costs <sup>(Note 3)</sup>	Professional	19	38	1.6	2.8
	Technical	133	14	1.6	6.9
				Sub-total	9.7
Comprising –					
(i) Consultants' fees for management of RSS					0.2#
(ii) Remuneration of RSS					9.5#
				<b>Total</b>	<b>13.0</b>

\* MPS = Master Pay Scale

**Notes**

1. A multiplier of 1.6 is applied to the average MPS salary point to estimate the staff cost of RSS supplied by the consultants (as at now, MPS salary point 38 = \$90,540 per month and MPS salary point 14 = \$32,430 per month).
2. The consultants' fees for contract administration are calculated in accordance with the existing consultancy agreement for the provision of contract administration and site supervision of **404IO**. The assignment will only be executed subject to the Finance Committee's funding approval to upgrade **404IO** to Category A.
3. The consultant's fee and staff cost for site supervision is based on the estimate prepared by the Director of Architectural Services. We will only know the actual man-months and actual costs after completion of the construction works.

**Remarks**

The cost figures in this Enclosure are shown in constant prices to correlate with the MPS salary point of the same year. The figures marked with # are shown in money-of-the-day prices in paragraph 13 of the main paper.