

For Information

Legislative Council Panel on Economic Services

Progress Update on Hong Kong Disneyland

Purpose

This paper briefs Members on progress of the Hong Kong Disneyland (HKD) project.

Background

2. On 10 December 1999 the Government, The Walt Disney Company (WD) and Hongkong International Theme Parks Limited (HKITP)¹ signed the project agreements on implementation of HKD. Work has commenced and HKD is scheduled to open in 2005.

Key Milestones for Government

3. In February this year, we submitted to the previous Panel a summary of key tasks which Government needs to accomplish. The table at Annex sets out the latest progress.

4. Overall, the HKD project is progressing on schedule. Tasks which have been completed or are in progress include -

- (a) ***Flight regulations and no-mooring regulations***². We consulted the previous Panel on these two regulations in February. The regulations were tabled before the Legislative Council in May, and will come into effect later before opening of HKD.
- (b) ***Environmental Impact Assessment (EIA)***. In March we consulted the previous Panel on the EIA reports regarding reclamation and infrastructure works at North Lantau as well as construction and operation of HKD. In accordance with the EIA Ordinance, the Director of Environmental Protection issued a series of Environmental Permits for the project between April and July.
- (c) ***Penny's Bay reclamation***. The Director of Civil Engineering (DCE) awarded the reclamation contract in April. The contractor commenced work in May.

¹ This is the joint-venture company between Government and WD to develop and operate HKD.

² The objectives of these two regulations are to ensure that visitors will be safe and not subjected to unnecessary noise and visual disturbances. Details have been set out in the Panel papers submitted in February.

- (d) **Infrastructure works.** In April DCE commissioned a consultancy on design of infrastructure works at Penny's Bay and its vicinity. The consultancy covers roads, irrigation network, stormwater drainage, utilities, etc.
- (e) **Others.** In July DCE awarded two other consultancy contracts. The first contract covers the design and construction of landscape works for Penny's Bay development. Its scope comprises the aesthetic, architectural and external appearance of all Government works. The second contract is an environmental monitoring and audit consultancy. It is to ensure that the reclamation work will be carried out in strict compliance with the requirements stipulated in the Environmental Permit and approved Environmental Monitoring and Audit Manuals.

HKITP Businesses

5. HKITP's works and commercial businesses are monitored by the Board and managed by Hong Kong Disneyland Management Limited³.

6. In accordance with the project agreements, Government is entitled to appoint five Directors, and WD four. At present the five Government Directors are the Financial Secretary, Secretary for Economic Services, Secretary for the Treasury, Secretary for Works and Director-General of Investment Promotion⁴. In addition, Government and WD may agree to appoint two independent Directors. At a recent Board meeting, the two sides agreed to make such appointments at a later stage as necessary.

7. HKITP will commence construction of HKD after completion of the first stage of reclamation and infrastructure works.

Future Reporting to the Economic Services Panel

8. As with the previous Panel, we will submit progress reports for this Panel's information whenever key progress is achieved, and of course also respond to any special requests. We will be happy to discuss all reports with Members if they so wish.

Tourism Commission
Economic Services Bureau

³ This is a wholly-owned subsidiary of WD set up to manage HKD on behalf of HKITP.

⁴ The new Commissioner for Tourism, once appointed, will replace Director-General of Investment Promotion as a HKITP Director.

October 2000

**Government's Key Milestones
for the Hong Kong Disneyland Project
(Progress as at October 2000)**

Item	Milestone Date ^{Note}	Key Task	Progress
1.	31.1.2000	Invitation of tenders for reclamation works.	Completed
2.	30.4.2000	Award of contract for reclamation works.	Completed
3.	31.12.2000	Enactment of Flight Regulations and No-mooring Regulations.	Completed
4.	TBC	Award of contract for infrastructure works.	Work/Preparatory work in progress
5.	TBC	Completion of reclamation works and roads, stormwater drainage, utility and irrigation works adjacent to the Phase 1 theme park site.	Work/Preparatory work in progress
6.	TBC	Completion of remaining stormwater drainage and irrigation works.	Work/Preparatory work in progress
7.	TBC	Completion of permanent utility services and road works. Government and HKITP to enter into a Water Recreation Centre Licence.	Work/Preparatory work in progress
8.	TBC	Completion of road furniture works, landscaping and GIC facilities. Government and HKITP to enter into Pier Licence and Public Transport Interchange Licence.	Work/Preparatory work in progress

Legend : "TBC" : To be confirmed

Note : With regard to Government's key tasks, some have already had their target milestone dates set while dates in respect of the other tasks will need to be set by agreement with HKITP when the position can be forecast with greater confidence.