

Annex

Correspondence and Development on the TVB Case

24 December 1998

CEO¹ passed the letter from TVB of 21 December 1998 to TIB² for a draft reply by 5 January 1999. See Attachment A.

31 December 1998

TIB passed the TVB letter to ID³ and asked for a draft reply by 4 January 1999. See Attachment B.

4 January 1999

ID sent a draft reply together with TVB's letter to HKIEC⁴ for comments. See Attachment C.

5 January 1999

ID forwarded the draft reply to TIB for consideration. See Attachment D.

6 January 1999

TIB sent a revised draft reply to the CEO for consideration. See Attachment E.

TIB then asked the CEO to hold the draft reply, quoting that STI⁵ had asked DGI⁶ to see whether the HKIEC could effect a further reduction of the premium. See Attachment F. ID did not give any reply to TIB afterwards, given that the negotiations on land premium were a matter between HKIEC and TVB, and that the HKIEC Board would consider the matter in due course. It was not possible to pre-judge at that point whether a further reduction in the premium could be effected.

¹ CEO: Chief Executive's Office

² TIB: the then Trade and Industry Bureau

³ ID: the then Industry Department

⁴ HKIEC: the then Hong Kong Industrial Estates Corporation

⁵ STI: the former Secretary for Trade and Industry

⁶ DGI: the former Director-General of Industry

14 January 1999

Given the tough negotiations with TVB, the perceived lack of competitiveness of the HKIEC land premium (see Attachment G), the fact that the TVB project was the largest investment ever for the HKIEC, and the unprecedented economic downturn at the time, the Chief Executive of HKIEC wrote to the DGI about his views on HKIEC's options in negotiation with TVB. See Attachment H.

DGI did not respond to the letter as it was overtaken by events quickly. On 19 January 1999, TVB submitted a revised proposal to HKIEC. See Attachments I and J.

19 January 1999

HKIEC sent ID a copy of TVB's letter of 19 January 1999. See Attachment K. Briefly, given the urgency of its relocation plan, TVB requested that pending completion of the strategic review, the HKIEC would authorize TVB to access the site and commence work on it. In return for this special consideration, TVB would provisionally agree to pay the prevailing discounted land premium (in accordance with the across-the-board reduction approved by the HKIEC Board on 7 December 1998) but eligible for any retrospective application of the premium arising from the strategic review.

19-20 January 1999

Attachment L set out the correspondence initiated by TIB for an early draft reply for CEO's consideration. The lunch between TVB and DGI and Chief Executive of HKIEC referred to in the series of e-mails was organized in mid-December 1998 (see Attachment M). TVB made use of the lunch to present their latest proposal.

28 January 1999

The regular HKIEC Board meeting discussed the TVB application. A copy of the HKIEC Board paper with a supplemental note is at Attachment N and the relevant Board minutes are at Attachment O. [Note : The names of the individuals in the minutes have been blotted.]

29 January 1999

TIB sent a revised draft reply (see Attachment P) to the CEO, taking into account the decision of the HKIEC Board on 28 January.

6 February 1999

CEO replied to TVB (see Attachment Q).

Commerce, Industry and Technology Bureau
September 2004

Attachment A - Q

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