

**LegCo Panel on Financial Affairs
Special meeting on 11 October 2003**

List of follow-up actions to be taken by the Administration

All the project items covered by the Economic Relaunch Programme listed in Annex B to the paper provided by the Administration (LC paper No. CB(1)14/03-04(02))

1. Please provide by 18 October 2003 a paper to the Panel giving details of each of the project items covered by the Economic Relaunch Programme (ERP), including the following details:
 - (a) Objectives of each project item;
 - (b) Target groups of each project item;
 - (c) Timing for carrying out each project item;
 - (d) For those project items involving sub-items, details of each sub-item and breakdown of the approved allocation for each sub-item; and
 - (e) Up-to-date expenditure of each project item and sub-item.

2. Under the existing practice, the Administration seeks the Finance Committee (FC)'s approval for a financial proposal in excess of \$10 million. The Administration also consults LegCo Panels on the details of financial proposals. As no details have been provided to the Panel and FC when funding approval for the ERP was sought in May 2003, please provide a paper to the Panel giving details of each of the remaining project items covered by the ERP with funding allocation in excess of \$10 million. The paper should cover all the information normally required for consulting LegCo Panels on financial proposals.

3. Please advise whether the sports items covered by the ERP, in particular the following items, will be conducted on a one-off basis only or on a regular basis for promoting sports development in Hong Kong:
 - (a) No. 45 (Chinese Basketball National Team's match in Hong Kong);
 - (b) No. 46 (Volleyball Superchallenge);
 - (c) No. 47 (Around the Island Race); and
 - (d) No. 55 (Hong Kong Open Badminton Championships 2003).

Hong Kong Harbour Fest

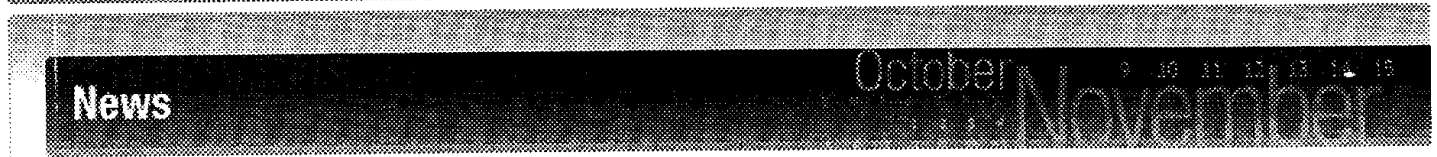
4. According to the paper provided by the Administration (LC paper No. CB(1)14/03-04(02)), assuming only 50% of tickets for the Hong Kong Harbour Fest are sold and commercial sponsorship is limited, the call on public funds would be in the order of \$80 million. The approved allocation for the Festival is \$100 million and the estimated shortfall as at 22 September 2003 is \$77.1 million. Please confirm whether the American Chamber of Commerce in Hong Kong (AmCham) or the Government would be responsible for any shortfall in excess of \$100 million. Please also provide a copy of the contract between the AmCham and the Government in respect of the Hong Kong Harbour Fest.

5. At the Panel meeting on 11 October 2003, the Administration advised that the Rolling Stones had declined to sign the contract and that the AmCham had decided on 10 October 2003 to take the contract off the table. In this connection, please provide the following information:
 - (a) According to the information provided to the public when the AmCham and the Government announced on 3 September 2003 the launch of the Hong Kong Harbour Fest (copy attached), "An unprecedented mix of international and Asian artists will headline the program, including legendary rockers The Rolling Stones,". Please confirm whether such information is misleading, having regard to the fact that no contract has been signed with the Rolling Stones at that time.
 - (b) As the Rolling Stones is not going to participate in the Hong Kong Harbour Fest, please update the budget of the Festival listed in Annex C to the paper provided by the Administration (LC paper No. CB(1)14/03-04(02)). Please provide the updated budget with a breakdown of the expenditure on artist fees and a breakdown of the expenditure on operations.
 - (c) Please assess the impact of the Rolling Stones not participating in the Hong Kong Harbour Fest on the number of viewers to be reached by the television special to be broadcast in the United States, Europe and Asia. According to the Administration, the television special is a key part of the Hong Kong Harbour Fest and is originally expected to draw 100 million television viewers in the United States and 500 million television viewers in other countries.

6. Responding to Hon Audrey EU's question raised at the Panel meeting on 11 October 2003, the Administration advised that there were oral contracts with the artists. In this connection:
 - (a) Please confirm whether there was any oral contract between the AmCham/the Government and the Rolling Stones in respect of the latter's participation in the Hong Kong Harbour Fest.
 - (b) If the answer to item (a) above is in the affirmative:
 - (i) please provide the relevant facts to justify the Administration's view that there was an oral contract with the Rolling Stones; and
 - (ii) please advise whether the AmCham/the Government may, under the oral contract, seek compensation from the Rolling Stones for breaching the contract; and if it may, whether the AmCham/the Government is going to do so.

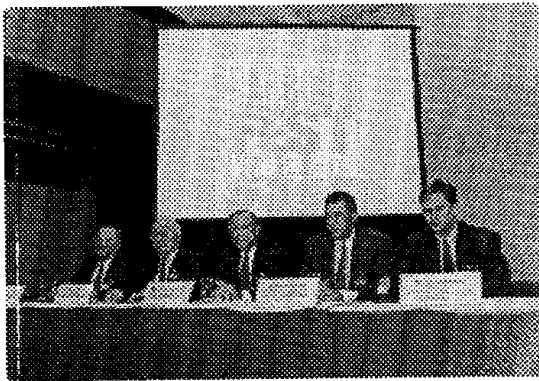
7. Please provide details of the ticketing arrangements for each of the concerts of the Hong Kong Harbour Fest, including number of seats and ticket prices for each zone of the concert venue.

Council Business Division 1
Legislative Council Secretariat
14 October 2003



Hong Kong Harbour Fest A spectacular Festival-of-Festivals showcasing world-class

3 September 2003



The American Chamber of Commerce (AmCham) together with the Hong Kong Special Administrative Region Government (HKSARG) proudly announce today the launch of the spectacular Hong Kong Harbour Fest, the festival-of-festivals in entertainment.

The extravaganza will be held at Admiralty's Tamar site over four weekends from 17 October to 9 November 2003, where a huge outdoor concert stage will be erected. Over 200,000 tickets will be available for the entire event, with reserved seatings for up to 13,000 people per show.

Hong Kong Harbour Fest will be the first festival of its kind to take place in Asia, and features a dazzling series of superb live shows catering to all tastes and ages, encompassing rock n' roll, family entertainment, blues and jazz, classical, theatrical performances and a Vegas Night. An unprecedented mix of international and Asian artists will headline the program, including legendary rockers The Rolling Stones, godfathers of renowned Latin-rock fusion Santana, sensational pop act Westlife, R&B innovator Craig David, and superstars F4, Jay Chou from Taiwan and Andy Hui from Hong Kong.

A key component of international exposure for the **Hong Kong Harbour Fest** will be a television special to be broadcast in the United States, Europe, Asia and other locations globally. The programme is expected to draw 100 million television viewers in the United States alone, where audiences will see celebrated artists enjoying the fabulous sights and sounds that Hong Kong has on offer. Also included will be the stars' performances staged at Tamar, against the dramatic backdrop of the Hong Kong skyline.

"We want the world to know that the business community and the people of Hong Kong are working hand in hand to rebuild the exciting spirit of our city. Nothing does this better than an international music festival such as the **Hong Kong Harbour Fest**. I'm very proud of the large number of AmCham companies that have agreed to contribute their creative talents to this endeavour. We feel the benefits to Hong Kong will be tremendous." said James Thompson, Chairman, AmCham.

The Director-General of Investment Promotions at Invest Hong Kong, Mr Mike Rowse, said the spectacular event will serve not only as a great attraction to both the local community and tourists, but also help boost Hong Kong's image as Asia's world city around the world.

"Through the broadcast of this world-class entertainment nationwide in the US and other countries, we want to show to the world that Hong Kong would continue to be a world-class city for both investors and tourists," Mr Rowse said.

Michael Denzel, Chairman, Sports and Entertainment Committee, AmCham, said of the festival, "The event is designed to showcase the most spectacular aspect of Hong Kong to the world, its harbour and skyline. Thus, the scenic location of Tamar along the harbour in the city centre was an absolute must."

Jon Niermann, Vice-Chairman of the Committee adds, "We want to highlight that Hong Kong is situated at a cultural nexus where the best of everything in the world can be found here. We anticipate Hong Kong Harbour Fest to become an annual extravaganza on Hong Kong's cultural calendar."

A full list of the artists, schedule and ticket information will be released in the coming week. For regular updates on **Hong Kong Harbour**