

Tender awarded for site in Tseung Kwan O

The Lands Department announced today (December 12) that the tender for a site, Tseung Kwan O Town Lot No. 131 at Wan Po Road, Area 85, Tseung Kwan O, New Territories, has been awarded to the highest tenderer, Easy Vision Development Limited (parent company: Sunevision Holdings Limited), on a 50-year land grant at a premium of \$5,456,007,800.00.

The tenderers, other than the successful tenderer, in alphabetical order, with the name of the parent company where provided by the tenderer in brackets, were:

- (1) Asia Tone Limited (Legan Development Limited);
- (2) Grand Build Development Limited (Grand Ming Group Holdings Limited);
- (3) Hanforth Limited;
- (4) Kingberg Investments Limited;
- (5) Mapletree TM (HKSAR) Limited (Mapletree Investments Pte Limited);
- (6) Sanon Limited (Far East Consortium International Limited);
- (7) Sky Castle Limited (Sino Land Company Limited); and
- (8) TKO Developments Limited (TKO Investment Limited).

Tseung Kwan O Town Lot No. 131 has a site area of about 27 444 square metres and is designated for high-tier data centre purposes. The minimum gross floor area and the maximum gross floor area are 67 584 square metres and 112 640 square metres respectively.

LCQ20: Monitoring the administration of an estate for charitable purposes

Following is a question by the Hon James To and a written reply by the Secretary for Justice, Ms Teresa Cheng, SC, in the Legislative Council today (December 12):

Question:

At its meeting held on July 20, 2015, the Panel on Administration of Justice and Legal Services of this Council discussed the administration of the estate of the late Ms Nina Kung. In addition, the Government disclosed early this year that it had drawn up in May 2017 the latest draft of the administration scheme on using the estate for charitable purposes (the Scheme) and was awaiting a response from the Chinachem Charitable Foundation

(the Foundation). In this connection, will the Government inform this Council:

(1) given that a government representative undertook at the aforesaid meeting to provide the Panel with the information on the arrangements for the interim administration of the estate and a breakdown of its properties insofar as it was allowed under the law, of the reasons why the Government has not yet provided such information, and whether it will do so immediately;

(2) whether it knows the following information on the estate: (i) the current total value, (ii) the respective total amounts of fees collected so far by the interim administrators of the estate, the managers recruited from outside and other persons involved in the administration of the estate (please specify), and (iii) the amounts of money used for charitable purposes in each of the past three years; and

(3) whether the discussions conducted between the Government and the Foundation on the Scheme have been concluded;

(i) if not, whether the Government has set a deadline; at what time the latest the Government will seek the Court's directions to ensure that the Scheme will be confirmed and implemented expeditiously; whether it will consider taking measures to enhance the administration of the estate (e.g. appointing government officials to sit on the Board of Governors of the Foundation); and

(ii) if so, whether the Government has submitted the Scheme to the Court?

Reply:

President,

A reply to the questions raised by the Hon James To in relation to the matters concerning the administration of the Estate of the late Mrs Nina Wang is as follows.

(1) and (2) At the meeting of the Panel on Administration of Justice and Legal Services on July 20, 2015, Members asked the Department of Justice (DoJ) to provide information on (a) arrangements approved by the Court concerning the interim administration of the Estate; (b) background, qualification and remuneration of each member of the Executive Committee (Exco) of the Chinachem Group; and (c) a list of the properties of the Estate.

The Secretary for Justice had explained in detail the arrangements approved by the Court concerning the interim administration of the Estate in her reply to the questions raised by the Hon Paul Tse at the meeting of the Legislative Council on January 31 early this year. Since December 10, 2007, the Estate has, pursuant to a Court order, been administered on an interim basis by independent interim administrators appointed with the sanction of the Court of First Instance. The current interim administrators are Mr

Christopher Chan, Mr Jong Yat-kit and Mr Wong Tak-wai of PricewaterhouseCoopers.

Being "officers of the Court", the interim administrators owe a duty to the Court on matters relating to the interim administration of the Estate. The Court may also give directions to the interim administrators if and when necessary. The work of the interim administrators will continue to be monitored by the Court, including the consideration of the periodical reports and other relevant materials provided by them.

DoJ has, at all times, been paying close attention to the administration of the Estate and has been in frequent contact with the interim administrators, including considering the periodical reports provided by the interim administrators, approaching the interim administrators to further understand matters relating to the interim administration of the Estate, requesting the interim administrators to take follow-up actions and provide reports as the circumstances require, assisting the Court in legal proceedings taken out by the interim administrators, and seeking directions from the Court in the course of interim administration as may be required.

DoJ will continue to closely monitor the interim administrators' work in managing and preserving the Estate and the litigation involving the Chinachem Group and the Chinachem Charitable Foundation (the Foundation), and take such follow-up actions as may be appropriate.

DoJ has sought updates on the Estate from the parties concerned. With their consent, information which can be disclosed is set out below:

The core assets of the Estate comprise the assets of the companies in the Chinachem Group with a net asset value of about HK\$137 billion as at August 31, 2018 based on the relevant unaudited combined management accounts. According to the judgment of the Court of Final Appeal dated May 18, 2015, the Chinachem Group was valued in 2012 at over HK\$82 billion.

Since the Chinachem Group is not a listed company, after having sought the views from the concerned parties, apart from the net asset value disclosed above, it would not be appropriate for us to disclose the breakdown of its properties which contain sensitive and confidential information.

The Chinachem Group is managed by its Exco and its current members are as follows (set out in the alphabetical order of the surnames in English (save for the interim administrators)):

- (1) Mr Chan Kam-por (Group's Chief Financial Officer);
- (2) Mr Donald Choi (Group's Chief Executive Officer);
- (3) Dr Kung Yan-sum (Chairman of Exco meetings);
- (4) Mr Derek Leung (Chief Treasury Officer, Head of Lands/Valuation of the Group);
- (5) Ms Liu Yuan-chun (Group's Director of Human Resources);
- (6) Mr Ng Shung-mo (Group's Head of Sales);
- (7) Mr Wong Hung-han (Deputy Head of Leasing and Chief Operating Officer of

the Group);

- (8) Mr Osborn Edward (Representative of the interim administrators);
- (9) Mr Christopher Chan (one of the interim administrators); and
- (10) Mr Jong Yat-kit (one of the interim administrators).

During the period from 2015 to 2018 (up till November 30, 2018), the Chinachem Group has in each year made donations for charity purpose to different charitable organisations and other entities in the amounts of about HK\$9.7 million, HK\$5 million, HK\$4 million and HK\$3 million respectively, the aggregate sum being over HK\$22 million.

As for the fees of the independent interim administrators, they have been prescribed by the Court in the Appointment Order and are subject to the Court's scrutiny. As the relevant order was made at a hearing not open to public, it is inappropriate for DoJ to provide further details of such information in the absence of any order of the Court directing disclosure.

DoJ and the Foundation have also been monitoring the fees charged by the interim administrators. Should DoJ and the Foundation consider the amount to be too high or unreasonable, an application may be made to the Court for taxation of the fees, in order to ensure that the interim administrators' fees remain reasonable.

(3) By its judgment of May 18, 2015 concerning the Will of the late Mrs Nina Wang, the Court of Final Appeal held that the Foundation is to hold the Estate as a trustee rather than receiving it as an unconditional absolute gift. As the work in implementing the Will is still ongoing, the said judgment does not affect the current independent interim administrators' discharge of the abovementioned duties to manage and preserve the Estate pursuant to the Court's appointment until any further Court order. Therefore, at this stage the Estate has not been vested on the Foundation. DoJ will continue to pay close attention to the financial condition of the Foundation.

Since the handing down of the judgment of the Court of Final Appeal on May 18, 2015 (CFA Judgment), DoJ and the Foundation have had meetings and have been in communications on the contents of the proposed Scheme. In order to facilitate constructive and frank discussions, the parties have agreed that the details of such communications should be kept in confidence in the meantime. Meetings have been held to discuss specific areas of the proposed Scheme, including the establishment of the "supervisory" managing organisation, and that a draft Scheme has been prepared taking into account the clauses of the 2002 Will and the relevant guidance contained in the CFA Judgment.

DoJ and the Foundation are actively discussing the content of the draft Scheme with a view to reaching consensus as soon as practicable. We anticipate that DoJ may make an application to the Court for directions concerning the Scheme by the first quarter of 2019, if necessary.

In addition, DoJ will continue to liaise with the interim administrators

and request relevant information when appropriate on the detailed arrangements for the implementation of the Will.

LCQ21: Food Truck Pilot Scheme

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (December 12):

Question:

In September this year, the Government extended the Food Truck Pilot Scheme (the Scheme), which was launched in February 2017, by two more years whereby the 15 food trucks could operate up to February 2, 2021. Under the relevant licensing conditions, food trucks may operate only in tourist locations and during events designated by the authorities. From the commencement of the Scheme up to mid-August this year, the food truck with the best business performance had a gross revenue between \$3.5 million and \$4 million, while all of the six food trucks with worst performance had a gross revenue of \$2 million or below each. The operating venues with the best, the second best and the worst business performance were the Hong Kong Disneyland, Tsim Sha Tsui Salisbury Garden and Energizing Kowloon East respectively, yielding gross revenues of \$17,890,000, \$2,900,000 and \$460,000 respectively for the food trucks. Some operators of the food trucks have reportedly pointed out that as the people flow in various operating venues has been decreasing, and the authorities do not understand the operation of food trucks and ignore the aspirations of the operators, it is difficult for them to sustain their businesses. In this connection, will the Government inform this Council:

(1) whether it has conducted studies to look into the causes for the great variances in (i) the business performance of different food trucks and (ii) their business performance in different operating venues; if so, set out the relevant information in a table; if not, whether it will conduct such studies;

(2) whether it has compiled statistics on (i) the volume of people flow at the operating venues for the food trucks and (ii) the turnover of the food trucks, at different hours and during various events; if so, set out the relevant information in a table; if not, whether it will compile such statistics; and

(3) whether it will relax the relevant licensing conditions so as to give the food trucks greater room for survival, e.g. allowing, on the premise of not affecting the traffic and the business situation of eateries in the vicinity, the food trucks to provide catering services for private banquets (e.g. wedding banquets), so as to offset the losses incurred by their operation in

certain designated operating venues; if so, of the details; if not, the reasons for that?

Reply:

President,

The Food Truck Pilot Scheme (the Scheme), launched on February 3, 2017, aims to enhance the fun and vibrancy of tourist attractions in Hong Kong by providing diverse, creative and high quality gourmet food to tourists and the locals. It is positioned as a tourism promotion project rather than playing the role as mainstream restaurant. Food trucks should also not be engaged in unfair competition with other restaurants and should not cause problems such as obstruction to pedestrians or other vehicles.

In light of the above considerations, eight tourist attractions were first chosen as the operating locations of food trucks under the Scheme. They are also arranged to participate at various mega events organised by the Hong Kong Tourism Board (HKTB). Food truck is introduced as a pilot scheme for trial to explore the suitability of different operating locations and operation modes, as well as its commercial viability.

In view of the business performance of the food trucks and in response to the opinions of stakeholders of the Scheme, the Tourism Commission (TC) has rolled out a number of refinement measures since end of May 2017 to enhance the operation flexibility of the Scheme as far as possible in order to help improve the business environment of the operators. The measures include:

- (1) introducing four new operating venues, namely the AsiaWorld-Expo, Science Park, Hong Kong University of Science and Technology and Hong Kong Science Museum;
- (2) providing a more flexible shift arrangement for food trucks to operate in Energizing Kowloon East Venue 1 and Tsim Sha Tsui Art Square on the same day;
- (3) allowing food trucks to participate in self-identified events as long as the events are open to the public with publicity plans available and obtained appropriate licences (e.g. temporary places of public entertainment licence);
- (4) allowing the operators to opt whether to operate at the designated venues under the rotation schedule and pay service fees for the operation days only; and
- (5) allowing operators to identify new operating venues for our consideration and follow up.

We had committed to evaluate the Scheme before the end of the two-year trial period (i.e. February 2, 2019). We observed that the business performance of the 15 food trucks varied. Some performed quite well and even opened brick-and-mortar shops. Despite the business performance of some being just average, it generally reflected that more time is required to observe

the operation of food trucks. Since the first operating food trucks have only operated for more than 1.5 years under the Scheme and during which we have made continuous refinement to the Scheme, we decided to extend the Scheme for two more years up to February 2, 2021 with a view to allowing sufficient time for the Scheme to be tested out in the market.

My reply to the three-part question raised by the Hon Jimmy Ng is as follows:

(1) According to the financial statements submitted by operators, the total gross revenue of 15 food trucks up to mid-October 2018 was \$35.9 million with details tabulated below:

Gross revenue (up to mid-October 2018)	Number of food trucks
Between \$3.5 million and \$4 million	Two
Between \$3 million and \$3.5 million	One
Between \$2.5 million and \$3 million	Three
Between \$2 million and \$2.5 million	Four
Between \$1.5 million and \$2 million	Four
Below \$1 million	One (Note 1)

(2) We mainly rely on the total gross revenues as shown in the financial statements regularly submitted by the operators to venues rather than the people traffic of each venue to observe the business performance of food trucks. The total gross revenue of 15 food trucks in operating venues up to mid-October 2018 was about \$32 million, with details tabulated below:

Operating venues	Gross revenue of food trucks (\$) (up to mid-October 2018)
Designated venues	
Hong Kong Disneyland	Around 19.4 million
Tsim Sha Tsui Art Square	Around 3 million
Salisbury Garden	Around 3 million
Ocean Park	Around 1.9 million
Golden Bauhinia Square	Around 1.5 million
Wong Tai Sin Square	Around 0.97 million
Central Harbourfront Event Space	Around 0.83 million
Energizing Kowloon East Venue 1	Around 0.47 million
New venues	
Hong Kong University of Science and Technology (Note 2)	Around 0.37 million

Hong Kong Science Museum (Note 3)	Around 0.23 million
Science Park (Note 4)	Around 0.22 million
AsiaWorld-Expo (Note 5)	Around 0.055 million
Total	Around 32 million

As for events, the total gross revenue of 15 food trucks up to mid-October 2018 was \$3.9 million. TC has arranged food trucks to participate in six tourism mega events organised by HKTb, namely the Hong Kong Dragon Boat Carnival held in June 2017 and June 2018, the e-Sports and Music Festival Hong Kong in early August 2017, the Hong Kong Cyclothon in October 2017 and October 2018 and the New Year Countdown Celebrations in December 2017. The gross revenue yielded from these six tourism mega events was about \$1 million. Besides, food trucks also operated in 51 self-identified events, with gross revenue amounting to \$2.9 million.

In conclusion, the business performance of food trucks at individual venues and events varied greatly and was largely attributable to a number of factors including whether the pitch location in the operating venue is prominent; whether there are sufficient number of visitors in that venue; whether there are food and beverages offerings nearby and their relative pricing; whether the type and price of food offerings of the food trucks match with the preference and consumption power of customers, etc.

(3) One of the refinement measures of the Scheme is to allow food trucks to participate in self-identified events as long as the events are open to the public and obtained appropriate licences e.g. temporary places of public entertainment licence. Having regard to the fact that food trucks can cook at the spot and their huge size, it is crucial to ensure food safety and hygiene as well as not to cause obstruction to pedestrians or other vehicles when being parked. In accordance with the licensing condition of Food Factory Licence issued to food trucks, they can only operate at designated venues and events approved by the Government. The designated venues and events are assessed by relevant departments and considered suitable for food truck operation. If food trucks operate at private events (not open to the public) without licences, relevant departments cannot assess whether the premises and the events are suitable for food truck operation.

Since the launch of this refinement measure, food truck operators applied for operating in 62 self-identified events and approval was granted to all applications. In fact, the nature of self-identified events participated by food trucks varies, including mega music concerts, carnivals, food festivals, mega competition activities such as tennis competition, car racing, yacht racing, running competition and charity walk, etc. Amongst all events, some were even held at private premises such as events held at the golf club and country club which were public events with licences. The mode of co-operation between operators and event organisers also varies. Some organisations would make bulk purchase of food from food trucks for their events while others would not collect service fee from the operators but just require them to arrange their own electricity for operation. Operators can

decide whether to operate at these events having regard to their own business consideration.

We will continue to identify other new venues as far as practicable, including to explore the placement of food trucks at the vicinity of Hong Kong Port of Hong Kong-Zhuhai-Macao Bridge Passenger Clearance Building and to study further refinement measures.

Note 1: The food truck commenced business in December 2017.

Note 2: Hong Kong University of Science and Technology provides one pitch for food truck operation on weekdays since November 7, 2017. The pitch will be closed for a total of around four months during the periods of summer break, winter break, etc.

Note 3: Hong Kong Science Museum has been introduced to the Scheme since December 18, 2017. It provides one pitch for food truck operation except for the period of the first two days of the Chinese New Year and the HK SciFest during which the pitch will be closed for a total of around one and a half months.

Note 4: Science Park provides one pitch for food truck operation at suitable events held in the venue since June 6, 2017. As at October 2018, there were 80 days of food truck operation for 90 events in this venue.

Note 5: AsiaWorld-Expo provides two pitches for food truck operation at suitable events held in the venue since May 20, 2017. So far there were eight days of food truck operation for four events in this venue.

LCQ12: Mainland “overage children” of HK residents to settle in HK through One-way Permit scheme

Following is a question by the Hon Leung Yiu-chung and a written reply by the Secretary for Security, Mr John Lee, in the Legislative Council today (December 12):

Question:

At present, the daily quota for mainland residents coming to Hong Kong for settlement on Permits for Proceeding to Hong Kong and Macao (One-way Permits (OWPs)) is 150. Since April 1, 2011, the Mainland authorities have allowed eligible mainland “overage children” of Hong Kong residents (i.e. mainland residents who were under the age of 14 when their natural fathers or mothers obtained their first Hong Kong identity cards on or before November

1, 2001) to apply for OWPs for settlement in Hong Kong for reunion with their natural parents. Regarding the issuance of OWPs to mainland children of Hong Kong residents, will the Government inform this Council:

(1) as the Government told this Council in 2005 and 2009 respectively that the Security Bureau had on occasions relayed the views of the public to the Mainland authorities for their consideration of setting up a channel under the OWP system for mainland adult children of Hong Kong residents to settle in Hong Kong, of the progress of the matter;

(2) whether it will urge the Mainland authorities to relax the eligibility criteria for OWP to allow mainland "elder overage children" of Hong Kong residents (i.e. mainland children of Hong Kong residents who were over the age of 14 when their natural fathers or mothers obtained their first Hong Kong identity cards on or before November 1, 2001, who are thus ineligible to apply for OWPs in the capacity of overage children) to settle in Hong Kong for reunion with their natural parents; if so, of the details; if not, the reasons for that;

(3) whether it knows (i) the number of OWP applications approved by the Mainland authorities and (ii) unused OWP quota, in each year since April 2011; and

(4) given the former Secretary for Security's remark that the Government has reached a consensus with the Mainland authorities to make use of the unused OWP quota to handle the OWP applications made by overage children, whether the Government knows the respective numbers of OWP applications made by overage children (i) received and (ii) approved by making use of the unused OWP quota by the Mainland authorities, in each year since April 2011; whether it will study with the Mainland authorities the use of unused OWP quota to handle the OWP applications made by elder overage children; if so, of the details; if not, the reasons for that?

Reply:

President,

It is stipulated in Article 22 of the Basic Law that for entry into the Hong Kong Special Administrative Region (HKSAR), people from other parts of China must apply for approval. The provisions of this Article, in accordance with the interpretation by the Standing Committee of the National People's Congress in 1999, mean that Mainland residents who wish to enter Hong Kong for whatever reason, must apply to the relevant authorities of their residential districts for approval in accordance with the relevant national laws and administrative regulations, and must hold valid documents issued by the relevant authorities. Mainland residents who wish to settle in Hong Kong for family reunion must apply for Permits for Proceeding to Hong Kong and Macao, commonly known as One-way Permits (OWPs), from the exit and entry administration offices of the public security authority at the places of their household registration in the Mainland. The application, approval and issuance of OWPs fall within the remit of the Mainland authorities. The HKSAR Government will take account of the overall interest of the community and

will exchange views on matters relating to the overall OWP scheme with the Mainland authorities from time to time, and reflect to them the aspirations of the society.

The reply to the question raised by the Hon Leung is as follows:

(1) In response to the request of Hong Kong residents and their Mainland "overage children" for reunion in Hong Kong, starting from April 1, 2011, the Mainland authorities allow eligible Mainland "overage children" of Hong Kong residents (i.e. Mainland residents who were below the age of 14 when their natural fathers or mothers, on or before November 1, 2001, obtained their first Hong Kong identity card and whose natural fathers or mothers still resided in Hong Kong on April 1, 2011), to apply for OWP to join their natural fathers or mothers in Hong Kong. The phased submission of applications by "overage children" to the Mainland authorities will be scheduled chronologically according to the order in which their natural fathers or mothers obtained their Hong Kong identity cards. At present, all eligible Mainland "overage children" of Hong Kong residents may submit applications to come to Hong Kong for reunion with their natural parents, including those whose natural fathers or mothers obtained their first Hong Kong identity cards on or before November 1, 2001.

(3) Since the implementation of the arrangements for "overage children" to apply for entry and settlement in Hong Kong, as at the end of October 2018, the Mainland authorities have received nearly 58 000 OWP applications from overage children, of which initial assessment of over 56 000 has completed. According to the information provided by the Mainland authorities, over 51 000 OWP applications were approved. It is learnt that among those people with OWP approved, over 90 per cent of them have arrived in Hong Kong. The numbers of holders of OWPs entering Hong Kong from April 2011 to the end of October 2018 are set out in the table below. The Immigration Department does not maintain other statistics with breakdown mentioned in the question.

Year	Number of people (including "overage children")
2011 (since April)	34 700
2012	54 646
2013	45 031
2014	40 496
2015	38 338
2016	57 387
2017	46 971
2018 (as at the end of October)	35 203
Total	352 772

The overall usage of OWP quota depends on various factors, mainly including the number of Mainland-Hong Kong marriages and the number of other eligible applicants, i.e. the Mainland spouse and minor children of holders of OWPs who have entered Hong Kong still awaiting the approval for settlement in Hong Kong; elderly persons with no one to depend on in the Mainland applying to come to join their children in Hong Kong; and Mainland children applying to come to take care of their elderly parents with no one to depend on in Hong Kong, etc.

(2) and (4) The HKSAR Government has noted the views in the community concerning Mainland children of Hong Kong residents who are not eligible to apply for OWP as "overage children", including the request from the Mainland residents who has attained the age of 14 when their natural fathers or mothers obtained their Hong Kong identity cards (commonly known as "elder overage children"). The application, approval and issuance of OWPs, Two-way Permits and exit endorsements fall within the remit of the relevant authorities in the Mainland. It is learned that at present the Mainland authorities do not have any plans to change the the existing regulations on the application criteria for "overage children". The HKSAR Government attaches great importance to the views of various sectors of the society concerning Mainland residents settling in Hong Kong through the OWP Scheme. The Government will take account into the interests of the community and will continue to exchange views with the Mainland authorities to convey the aspirations of the society.

[Hong Kong Customs seizes suspected methamphetamine \(with photo\)](#)

Hong Kong Customs seized a total of about 11.7 kilograms of suspected methamphetamine with an estimated market value of about \$5.6 million at Hong Kong International Airport on December 5 and December 6.

Customs officers inspected two air mail parcels from the United States of America on December 5 and December 6 and found the batch of suspected methamphetamine wrapped in clothes.

After follow-up investigation, Customs officers yesterday (December 11) arrested a man suspected to be in connection with the case in Tsim Sha Tsui.

The arrested man, aged 30, has been charged with two counts of trafficking in a dangerous drug. He will appear at Kowloon City Magistrates' Courts tomorrow (December 13).

Under the Dangerous Drugs Ordinance, trafficking in a dangerous drug is a serious offence. The maximum penalty upon conviction is a fine of \$5 million and life imprisonment.

Members of the public may report any suspected drug trafficking activities to the Customs 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

