



THE HONOURABLE  
MRS CARRIE LAM CHENG  
YUET-NGOR, GBS, JP  
—  
CHAIRMAN

I am pleased to present the Annual Report 2012/13 of the West Kowloon Cultural District Authority ("WKCD").

I am grateful that my first year of chairmanship has been a fruitful one with remarkable progress made on both hardware and software development. I am indebted to the leadership and devotion of all members of the Board, the Committees, the Consultation Panel, staff of WKCD and my Government colleagues. Most of all, I wish to thank members of the public and stakeholders for their views, support and encouragement.

The year under review witnessed the approval of the Development Plan by the Chief Executive-in-Council in January 2013 and ushered in design competitions for two flagship venues, a confirmation that the West Kowloon Cultural District ("WKCD") project is firmly underway.

Last December, we selected the design by Hong Kong-born architects, Bing Thom and Ronald Lu, for our first landmark venue, Xiqu Centre. Followed by the completion of schematic design and foundation works tendering, construction works will begin later in the year to meet our commitment to complete the facility in 2016. At the time of writing, I am excited to mention that the design of the other flagship facility, M+, the museum for visual culture, was also unveiled in June this year.

Another focus of our work during the year was to animate the site, build audiences and nurture talents to pave the way for the future arts hub. Members of the public responded enthusiastically to our initiatives. Over 200,000 visitors had come and enjoyed the myriad of performing arts and visual culture programmes we staged throughout the year.

The Freespace Fest 2012 and an expanded West Kowloon Bamboo Theatre 2013 had successfully drawn the younger generation to visit the site and sample the variety of programmes and activities that blended the old with the new. The M+ curatorial team brought visual arts to the Yau Ma Tei neighbourhood during the Mobile M+: Yau Ma Tei exhibition in May last year. Their second exhibition on the WKCD site, Mobile M+: INFLATION! from April to June this year, attracted some 150,000 visitors and created inspiring discussions on both conventional and new media on what is art in the Hong Kong context. To strengthen arts education and nurture local arts talents as well as administrators, a series of public forums and seminars were also organised during the year.

Giant steps have been made to build a collection for our future visual culture museum. Following the donation and purchase of some 1,500 pieces of Chinese contemporary art from Dr Uli Sigg last year, which was heralded in the international press as a major coup for Hong Kong and M+, the new museum for visual culture continued to expand its world-class collection to over 2,000 pieces with a focus on works by local artists. We were encouraged by the strong support from the Hong Kong arts community with generous donations from artists as well as collectors.

Financially, I am pleased to report that the upfront endowment of \$21.6 billion for the WKCD project, less expenditures such as costs of planning and project management, programming costs to develop cultural software, collection acquisition costs etc. incurred in the past few years, has grown to \$23.6 billion as at March 2013 due to investment returns.

Like any other public projects spanning over a period of time, the WKCD project has to grapple with fluctuations in cost. With the escalation of construction cost of public projects during the past six years, the cost of the WKCD project has understandably been a subject of concern, both for us as well as the public, since we announced the estimated cost for the Xiqu Centre last December.

As the development of WKCD spans over 20 years, the actual construction costs would be subject to factors such as changes in economic conditions, detailed design of the facilities, the development schedule and the mode of financing for individual projects. We recognise the challenge presented by construction cost escalation and attach great importance to the financial management of the project.

Yet we are heartened by the firm commitment from the Chief Executive in his 2013 Policy Address to implement the project according to the original plan despite rising construction costs. Following the announcement of the design team of the first major arts and cultural facility, Xiqu Centre, in December 2012, WKCD had conducted discussions on funding issues at various levels, including the Board, Executive Committee and relevant committees etc., to explore various propositions with a view to presenting options for deliberation with the Government. WKCD will endeavour to deliver the project by exercising stringent cost control through various means, without compromising the overall functions and quality of the future WKCD facilities. WKCD will also proactively explore various financial strategies and alternative sources of funding to make best use of its existing resources.

WKCD also attaches great importance to engaging with the community and various stakeholders. In March 2013, WKCD appointed Professor John Leong Chi-yan as the new Chairman of the Consultation Panel, following the retirement of Professor Stephen Cheung Yan-leung who had led the panel since 2009. On behalf of the Board, I would like to express our gratitude to Professor Cheung for his excellent leadership of the Consultation Panel. Under his guidance, the Consultation Panel made valuable contribution to the three-stage Public Engagement Exercise between 2009 and 2011 for the preparation of the Development Plan that shapes the WKCD project today. We are confident that Professor Leong would bring in new insight and advice and lead the Consultation Panel to serve as a bridge between the public and WKCD in the next phase of the WKCD development.

As the WKCD project has reached an intensive development stage, we have strengthened the governance of WKCD by establishing an Executive Committee, which comprises Chairmen of various Committees, to provide high-level steer on strategic issues and to coordinate issues across different functions within WKCD. We are also firmly committed to account to the Legislative Council ("LegCo") on this important project. During the financial year, the WKCD Management attended four meetings before the LegCo Joint Subcommittee to Monitor the Implementation of the WKCD Project to report the progress of the project on various fronts.

2012/13 was a fruitful year for WKCD, during which we have developed our vision of the WKCD into a much more concrete reality. I would like to express my appreciation of the sterling efforts and contributions made by the management team under the leadership of Mr Michael Lynch. We will continue to engage the community with programmes that promote excellence, innovation and diversity and take forward the WKCD, a world-class arts hub that will make us proud.

THE HONOURABLE  
MRS CARRIE LAM CHENG YUET-NGOR, GBS, JP  
Chairman of the Board of West Kowloon Cultural  
District Authority

Hong Kong, 9 August 2013