

CONTROLLING OFFICER'S REPLY**THB(T)259****(Question Serial No. 4267)**Head: (60) Highways DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (1) Capital ProjectsControlling Officer: Director of Highways (Daniel K W CHUNG)Director of Bureau: Secretary for Transport and HousingQuestion:

To continue to oversee the works of the Central-Wan Chai Bypass is one of the tasks for the Bureau this year. Regarding the claims arising from the various items of works for the Central-Wan Chai Bypass, please provide the following information in table form:

Scope of works	Contract number	Total contract sum	Contractor	Number of claims	Amount claimed	Amount awarded

Asked by: Hon KWOK Ka-ki (Member Question No. (LegCo use): 188)Reply:

The Central-Wan Chai Bypass and Island Eastern Corridor Link (CWB) is a large-scale and complex works project. The 13 major works contracts involved have all been awarded, among which eight of them are managed by the Highways Department. The remaining works have been entrusted to the Civil Engineering and Development Department for implementation under five contracts.

Generally speaking, it is the responsibility of the contractors of the works project to complete the works within the specified time and cost as required in the contracts. In the event of unforeseen circumstances, contractors may submit claims according to the terms of the contracts. The claims must be substantiated by sufficient justifications and information as the reasonable basis for the claims. The consultant engineers appointed by the managing departments of the works contracts should carefully and independently assess the claims and then submit their assessments to the managing departments for approval. The managing departments should objectively scrutinise the consultant engineers' assessments on the contractors' claims before approving the concerned claims in order to ensure that the approval is based on sufficient justifications and is in accordance with the terms of the contract. If the contractors have any objection to the assessments of the claims, they must provide more information and justifications for further review.

The aforesaid 13 contracts of the CWB project also cover works items which are funded under other works projects. So far, under the CWB project, the Highways Department has received about 100 claims totaling a claimed amount of some \$3 billion and the amount awarded is about \$490 million. Since some of the contracts involve a number of works projects, such as the reclamation works of the Wan Chai Development Phase II project and the construction works of the tunnel box of the Shatin to Central Link project, the information about claim in respect of the CWB project only is not available under these contracts at this stage. According to the relevant terms of the works contracts, the Government cannot divulge information of individual claims without the consent of the contractors.

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