

LCQ21: Mega Arts and Cultural Events Fund

Following is a question by the Hon Mrs Regina Ip and a written reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the Legislative Council today (November 6):

Question:

To promote the development of Hong Kong as the East-meets-West centre for international cultural exchange, and to drive the city into an international cultural metropolis and a destination for tourists worldwide, the Government set up the Mega Arts and Cultural Events Fund (Mega ACE Fund) in April last year to attract and support large-scale arts and cultural events to be held in Hong Kong by providing funding support to the organizers of such events. In this connection, will the Government inform this Council:

(1) of the following information since the establishment of the Mega ACE Fund (set out by year): (i) the number of grants and the amount of funding granted, (ii) the remaining balance of the funding, (iii) the number of applications received, and (iv) the number of events funded, the amount of funding received and the actual costs incurred for each event;

(2) whether the Government has assessed the economic benefits brought to Hong Kong (including the number of inbound tourists attracted to Hong Kong, the amount of spending induced and the economic value generated) by the mega events funded by the Mega ACE Fund that were already held; if so, of the details; if not, the reasons for that, and whether it will conduct such assessment;

(3) given that in its progress report submitted to this Council in April this year on the motion on "Promoting the in-depth integration of culture, sports and tourism to revitalize the tourism industry", the Government indicated that it would set corresponding key performance indicators for each of the funded mega events and activities, of the progress of such work;

(4) given that the Secretary for Culture, Sports and Tourism indicated in 2022 that the Government's initial plan was to allocate about \$60 million from the Arts and Sport Development Fund to fund around four events through the Mega ACE Fund each year, and as shown in the information provided by the Government in its reply to a question raised by a Member of this Council on the Estimates of Expenditure for the financial year of 2024-2025, the respective number of events funded by the Government through the Mega ACE Fund in 2023 and 2024 has both exceeded four, of the reasons for the number of events funded in each of these two years exceeding the expected number, and whether the amount of the funding for each year has exceeded \$60 million; if so, of the mechanism through which the Government reports to this Council in this regard; and

(5) as there are views that the Mega Arts and Cultural Events Committee (Mega ACE Committee), currently responsible for vetting and approving the Mega ACE Fund applications, may draw reference from the composition of the committees for vetting and approving other funding applications in the past and include civil servants as members, whether the Government will consider appointing civil servants as ex-officio members of the Mega ACE Committee, so as to enhance the coordination of the events funded by the Mega ACE Fund; if so, of the implementation timetable; if not, the reasons for that?

Reply:

President,

Our reply to the question raised by the Hon Mrs Regina Ip is as follows:

(1) and (4) The 2022 Policy Address announced the setting up of the Mega Arts and Cultural Events (ACE) Fund to provide incentives for organisers of large-scale arts and cultural events so as to attract and support international and mega arts and cultural events to be staged in Hong Kong, with a view to further developing Hong Kong into an arts and cultural hub.

The Government officially set up the Mega ACE Fund in April 2023. At the early planning stage, our initial plan was to allocate about \$60 million from the arts portion of the Arts and Sports Development Fund to fund at least four events each year, which was budgetary in nature. The Government was pleased to note that many large-scale events have applied for the Mega ACE Fund since its launch, and the Fund has supported a number of mega events to be held in Hong Kong after the pandemic, which is in line with the Government's objective of setting up the Mega ACE Fund.

In 2022, 2023 and 2024, we received two, 25 and 44 applications respectively. As of October 2024, 17 applications have been approved.

Details of the 17 approved projects are as follows:

Title of Event (according to the chronological order of the event)	Approved Funding Amount (HK\$)
Art Basel Hong Kong 2023	15,000,000
Art Central 2023	2,531,632
"Madame Song: Pioneering Art and Fashion in China"	8,000,000i¼Š
Freespace Jazz Fest 2023	8,000,000
INK ASIA 2023	13,672,155.7
"Botticelli to Van Gogh: Masterpieces from the National Gallery, London"	15,000,000i¼Š
Chubby Hearts Hong Kong	7,785,000i¼Š

A Path to Glory – Jin Yong's Centennial Memorial • The World of Wuxia	15,000,000i¼Š
ComplexCon Hong Kong 2024	15,000,000
Art Basel Hong Kong 2024	15,000,000i¼Š
Art Central 2024	11,000,000
Voyage with Van Gogh	11,800,000i¼Š
Chinese Kungfu x Dance Carnival	14,686,070i¼Š
ART021 Hong Kong Contemporary Art Fair	15,000,000i¼Š
Puccini's Turandot	700,000i¼Š
Hypefest Hong Kong 2024	15,000,000i¼Š
A pop culture event (Details of the event will be announced in due course to tie in with the promotional plans of the organiser.)	15,000,000i¼Š

i¼ŠActual grant amount to be finalised upon the submission of audited report by the grantee after the event.

The purpose of requesting the organisers of the approved projects to submit audited account report upon completion of their projects is to ensure that the grant provided by the Mega ACE Fund is fully and properly applied to the approved budget items. As far as we understand, these projects may also incur costs that are covered by other sources of income, which the organisers are not required to report these items in their reports to us. Therefore, we do not maintain the information on the overall actual cost incurred for each project.

(2) and (3) The Mega ACE Fund was established when the community was recovering from the pandemic. The number and variety of activities were crucial for the construction of a vibrant ecosystem of large-scale arts and cultural events, thus the Culture, Sports and Tourism Bureau (CSTB) has been actively introducing arts and cultural events with different orientations and genres through the Mega ACE Fund. At present, we will request the organiser of each approved project to set suitable Key Performance Indicators (KPIs) accordingly. The KPIs concerned will form part of the funding agreement, so that the effectiveness of the project will be monitored. According to the requirements of the Mega ACE Fund, grantees must follow the provisions of the funding agreement to carry out the proposals and fulfill the related obligations. They must also submit an event report after the completion of the event and will only receive the remaining grant amount upon the acceptance of the report.

Regarding the approved projects stated in our reply to parts (1) and (4) above, 15 projects were completed, attracting an attendance of over 4.76 million in total. The response has been positive and exceeded the targets,

bringing a positive impact on the arts and cultural ecology of Hong Kong. For instance, ComplexCon Hong Kong 2024 attracted over 32 000 participants, among them 55 per cent were tourists, whereas Art Basel Hong Kong 2024 brought together 242 galleries from across 40 countries and territories, which attracted around 80 400 participants, of which half of them were visitors. Having said that, as different activities have different target audiences, it is inevitable that some activities will perform better in attracting tourists, and we should not adopt a broad-brush approach in assessing the effectiveness of the activities.

Apart from some quantifiable indicators such as the number of participants, these projects supported by the Mega ACE fund also bring unquantifiable values to the arts and cultural landscape of Hong Kong. A series of events covering a wide range of arts genres make arts more accessible to the public and tourists, encourage them to appreciate arts and arouse their interest, gradually creating a rich artistic atmosphere within the community. In addition, these projects are in line with the Government's direction of promoting the development of arts and culture industries in Hong Kong, including fostering international cultural exchange with the Mainland and overseas countries, offering platforms for young and emerging artists to showcase their work, and contributing to the development of the industries, etc. For example, Art Central 2024 provided a platform for local young artists to create large-scale art installation, while the sculpture exhibition "A Path to Glory – Jin Yong's Centennial Memorial • The World of Wuxia" will tour in the Mainland and overseas, exporting Hong Kong's local characteristics and Chinese culture. In the long run, the Mega ACE Fund plays an important role in promoting the diversified development of Hong Kong's arts and culture ecosystem.

The positioning of the Mega ACE Fund is mainly to support the development of Hong Kong's arts, culture and creative industries. As the Mega ACE Fund has been fully operated for around a year and a half, we have not yet specifically assessed the economic benefits brought by the Mega ACE events for the time being. Taking into consideration the latest developments in Hong Kong's arts and culture sector and ecology, the CSTB has reviewed the operation and funding mode of the Mega ACE Fund based on the experience gained after setting up the Fund and consulted the Mega ACE Committee and relevant stakeholders.

(5) The Mega ACE Committee is an advisory body of the Government, responsible for advising the Government on the strategies to attract mega arts and cultural events to be held in Hong Kong as well as the operation of the Mega ACE Fund, and assessing applications under the fund for the Government's approval. The Committee comprises leaders from the arts and cultural and other sectors. The CSTB provides secretariat service for the Committee, including communication with the applicants and grantees. In the course of processing the applications, the secretariat will also seek comments from relevant government bureaux or departments for the Committee's reference.

The Mega ACE Committee is responsible for assessing the applications and making recommendations to the CSTB while the Government will take into

account the recommendations of the Committee and consider the applications from different perspectives before making a final decision. The current mechanism leverages on the advice from leaders and the role of Government officials in the vetting process.

Having said that, when arranging the appointment for the next term of the Committee, the CSTB will actively consider the recommendation for appointing ex-officio member so as to enhance the coordination work of mega arts and cultural events.