

LETTERHEAD OF HELISERVICES (HONG KONG) LTD.

**Issues Relative to the "Development of the
Helicopter Industry in Hong Kong"**

**Presented to the LegCo Panel on Economic Services
17 July 2001**

1. Issues affecting decisions on Helicopter Operations in Hong Kong

Heliport Facilities:

- **Heliservices and Helicopters Hong Kong funded a study "Short Haul Air Services for Hong Kong" completed in August 1999. This study identified as many as 11 potentially suitable sites. Essentials of any Heliport are:**
 - **"Centrally" located within the business district**
 - **Accessible by both pedestrian and vehicular traffic**
 - **Customs & Immigration facilities**
 - **Refuelling facilities**
- **Shun Tak and Kai Tak are "compromise" alternatives, neither of which represents the best of what Hong Kong has to offer.**
 - **Shun Tak development will be expensive and does not represent a "neutral" commercial facility for both operators.**
 - **Access to Kai Tak is difficult and operations from there would not serve the visiting tourist or business executive.**
- **Costs of construction**
 - **A modern international Heliport will contribute to the community just as Hong Kong International Airport does,**

thus it should be financed by Government just as HKIA was.

Air Services Agreements:

- **Expanded air services agreements with the Central Government must include non-scheduled operations, i.e. for hire, on-demand flights.**
- **Helicopter routes to, from, and within the Pearl River Delta must be via "Visual Flight Rules".**

Non-Scheduled Flight Operations - Reciprocity must prevail:

- **Costs - Hong Kong non-scheduled aircraft operators pay more than 10-times what our Mainland competitors pay on the Mainland. Conversely, our Mainland colleagues pay the same as the Hong Kong operator when they come to Hong Kong. If they are applied to helicopter operations, as they are to fixed wing operations, we will not be able to operate.**
 - **US\$3,000 CAAC "Compensation Fee"**
 - **Fees paid in U.S. dollars, as opposed to RMB or HKD**
 - **Overflight and Navigation charges**
- **Access to the major cities with the Pearl River Delta is essential.**