-ETWB(T)CR 1/5481/98

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28 February 2004

By Fax: 2121 0420

Mr Andy Lau Clerk to LegCo Panel on Transport Legislative Council Secretariat 3/F Citibank Tower Hong Kong

Dear Mr Lau,

Meeting of the Panel on Transport on 30 January 2004

At the meeting of the Panel on Transport on 30 January 2004, Members discussed our paper entitled "New Tuen Mun Ferry Terminal" and asked for supplementary information on the relevant terms and conditions of the tenancy agreement in relation to the rights and obligations of the tenant in subletting the allocated berthing slots at the Tuen Mun Ferry Terminal.

Under Clause III(2) of the tenancy agreement between the Government and the tenant, the tenant is allowed to "sublet subject to the Director of Marine's consent in writing berthing slots and to keep the revenues arising from such subletting". As with the present policy for managing berthing slots in the two existing cross-boundary ferry terminals, the Director of Marine's primary consideration in giving consent to the use of berthing slots is whether the ferry vessels concerned would use the berths

safely. In the case of the Tuen Mun Ferry Terminal, the Director of Marine will also consider whether the operation of the ferry service from the sublet slots would comply with Clause II (19) of the tenancy agreement, which imposes restrictions on (1) the length and displacement of the vessels using the berths; (2) the maximum number of passengers arriving at and departing from the terminal so that it would not exceed the agreed number that was set having regard to the clearance capacity of the control point, and (3) the operating hours of the terminal. Subject to these considerations, the Director of Marine would not interfere with the tenant's business decisions in subletting berthing slots to ferry service operators or the business terms associated with such subletting.

Yours sincerely,

(Vic C H Yau) for Secretary for the Environment, Transport and Works

c.c. Director of Marine (Attn.: Mr. Adam Lai) – Fax: 2545 1535