

Panel on Economic Services

List of outstanding items for discussion
(position as at 15 November 2004)

**Proposed timing for
discussion**

Aviation, Logistics and Port development

1. Competitiveness of Hong Kong's container freight industry

In view of the competition in the region, the Panel urged the Administration to promptly address the problem of Hong Kong's container terminals rapidly losing their competitive edge, seriously examine the reasons for the decline in the competitiveness of the local container freight industry, and expeditiously take corresponding measures so as to reclaim Hong Kong's leading position as a maritime and logistics centre.

The Administration will brief the Panel on the findings and recommendations of the "Study on Hong Kong Port – Master Plan 2020" on 22 November 2004.

The Panel noted that the Administration had commissioned a consultancy study on "Hong Kong Port – Master Plan 2020". The study covered the feasibility of constructing Container Terminal 10 and site identification. The study would also propose a competitive and sustainable strategy as well as a master plan for Hong Kong's port development over a 20-year planning period.

2. Logistics services

(a) Expression of Interest exercise on the Lantau Logistics Park

December 2004

(b) Digital Trade and Transportation Network System

First quarter of 2005

The Panel would like to be briefed on the work of the Hong Kong Logistics Development Council and measures taken to promote logistics development in Hong Kong.

In order to enhance the competitiveness of the Hong Kong International Airport, views had been expressed that the Government should liaise with the Central People's Government and the relevant authorities with a view to implementing "co-location" of immigration and customs facilities at Hong Kong International Airport.

Proposed timing for discussion

3. Aviation services

The latest review of the Mainland/The Hong Kong Special Administrative Region Air Services Arrangement was concluded on 8 September 2004.

To be confirmed

According to the Administration, the new Arrangement provided a clear timetable for opening the Hong Kong/Mainland aviation market to more airlines and for expansion of capacity limits on individual routes. The limit on the total number of airlines allowed to participate in the market had been lifted immediately, while the number of routes that allowed "dual designation" by each side would be increased in phases, eventually covering all routes by winter 2006.

4. Amendment to the Civil Aviation Ordinance to release passive aircraft owners from strict liability

To be confirmed

This legislative proposal was proposed by the Administration in the 2003-04 session.

5. Proposed domestic heliport development

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

6. Amendment to the Carriage by Air Ordinance

This legislative proposal was proposed by the Administration in the 2004-05 session.

To be confirmed

7. Subsidiary legislation related to the Merchant Shipping (Local Vessels) Ordinance

The item was proposed by the Administration in the 2004-05 session.

December 2004

**Proposed timing for
discussion**

Energy

8. The Electricity Market Review: public consultation on options for the post-2008 Electricity Market

The Panel noted that the Administration was conducting an electricity market review with a view to mapping out the broad framework for the development of the electricity market upon the expiry of the Scheme of Control Agreements with the two power companies in 2008. In this regard, a 2-stage public consultation would be conducted by the Administration. The first stage of consultation aimed at seeking views on possible options for the development of the post-2008 electricity market. This would be followed by a second stage which aimed at mapping out the direction and framework for the future electricity market in Hong Kong so as to enable the Administration to finalize, in good time, firm proposals for the way ahead.

To be confirmed

The Panel would consider the options to be drawn up by the Administration for the development of the post-2008 electricity market in due course.

9. Annual tariff reviews with the two power companies

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

10. Reviews of the financial plans of the two power companies

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

11. Adjustment of oil prices

At the meeting on 25 October 2004, members agreed to consider the retail prices of oil products.

To be confirmed

**Proposed timing for
discussion**

Tourism

12. Development of new cruise terminal facilities in Hong Kong

Last discussed at the meeting on 28 June 2004.

To be confirmed

The Panel noted that the Administration was considering an open invitation for proposals from interested parties. The objective of the exercise would be to solicit innovative proposals which would enable the timely development of a cruise terminal, preferably in the core Harbour area, to meet the medium-term need. The Administration intended to launch the invitation of proposals exercise in the latter half of 2004 with a view to signing a provisional agreement with the selected proponent in 2005/2006.

13. Hong Kong Disneyland

Last discussed at the meeting on 28 June 2004.

To be confirmed

In December 1999, the Government entered into an agreement with The Walt Disney Company to build Hong Kong Disneyland (HKD) (Phase 1) at Penny's Bay. A joint venture company, the Hongkong International Theme Parks Limited, had been set up for this purpose. According to the Administration, the project is on schedule and within budget. Judging from the progress achieved so far, it was expected that the theme park would likely be opened by end-2005 as scheduled.

In previous discussion, the Administration was requested to provide an update on the forecast number of attendees of the theme park.

An information paper prepared by the Administration on the "Progress update on HKD" has been issued on 15 November 2004 vide LC Paper No. CB(1)242/04-05(01) for members' consideration. The paper has covered, amongst other things, a staffing proposal to extend a supernumerary post in the Tourism Commission by one year to 31 March 2006.

Proposed timing for discussion

14. Development of golf courses and spa facilities

The Administration was requested to brief the Panel on the development of golf courses and spa facilities in Hong Kong.

To be confirmed

The Administration advised that it was already working on the initiative and would conduct a consultancy study on such resort facilities.

15. Enhancement of public facilities at Ngong Ping

The item was proposed by the Administration in the 2003-04 session.

To be confirmed

The Administration would brief the Panel of the progress of the enhancement programme to improve public facilities at Ngong Ping.

16. Future Development of Ocean Park

At the meeting on 12 October 2004, members agreed to consider the future development of Ocean Park and to follow up on the \$500 million loan approved by the Finance Committee in 1999 for Ocean Park to improve its recreation and education facilities.

To be confirmed

17. Hong Kong Wetland Park (HKWP) Project – Amendments to Subsidiary Legislation under the Country Parks Ordinance

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

18. Peak improvement project

The item was proposed by the Administration in the 2004-05 session.

Second quarter of 2005

The Administration would brief the Panel on the proposed improvement for the Peak.

**Proposed timing for
discussion**

Others

19. Reconstruction of Sham Chung and Lai Chi Chong public piers

The item was proposed by the Administration in the 2003-04 session.

To be confirmed

The Administration would brief the Panel on the funding proposal relating to the reconstruction of Sham Chung and Lai Chi Chong public piers.

20. Tackling malpractices by unscrupulous traders

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

21. Conditions for bulk airmail to Japan

The item was proposed by the Administration in the 2004-05 session.

To be confirmed

22. Review of branch post offices

The item was proposed by the Administration in the 2004-05 session.

To be confirmed