

**For Information
on 29 October 2004**

Legislative Council Panel on Transport

**Tuen Mun Ferry Terminal
Latest Progress**

PURPOSE

This paper informs Members of the progress of the establishment of the new Tuen Mun Ferry Terminal.

BACKGROUND

2. Over the past few years, there were suggestions regarding the need for a third cross-boundary passenger ferry terminal in Tuen Mun. As the two existing cross-boundary ferry terminals¹ still have spare capacity to meet future increase in passenger demand, we did not consider it justifiable to commit public funds to build a third cross-boundary ferry terminal.

3. However, several private sector firms expressed interest in funding the conversion of part of the Tuen Mun Ferry Pier for the operation of cross-boundary passenger ferry services. The proposal was supported by this Panel. We therefore agreed to lease out part of the Tuen Mun Ferry Pier to the private sector for this purpose. We then conducted an open tender exercise in 2003. Subsequently, the Government signed a tenancy agreement in December 2003 with the successful bidder² for the occupation, modification and use of part of the Tuen Mun Ferry Pier for operating cross-boundary ferry services. We informed this Panel of the details of the exercise in LC Paper No. CB(1)669/03-04(01).

4. We further informed this Panel in January 2004 (LC Paper No. CB(1)848/03-04(06)) of the tenant's tentative programme and the legislative amendments required for the operation of cross-boundary ferry services from the Tuen Mun Ferry Terminal. To recap, the tenant has to pay a deposit of \$2.5 million at the signing of the tenancy agreement. In addition, among

¹ They are the Hong Kong-Macau Ferry Terminal in Sheung Wan and the China Ferry Terminal in Tsimshatsui.

² The successful bidder was the Hong Kong North West Express Ltd

other obligations, it has to pay an annual amount of \$16.3 million to the Government. The tenant's tentative programme then was to complete the pier modification works and start to provide ferry services to Macau by the end of 2004.

5. An inter-departmental steering committee, comprising the Environment, Transport and Works Bureau, Security Bureau, Marine Department, Immigration Department, Customs and Excise Department, Police, Architectural Services Department (ArchSD), Transport Department, Government Property Agency and Department of Health, was set up in early 2004 to coordinate the implementation of this project.

LATEST DEVELOPMENT

6. The first key task for the tenant is to submit building plans to ArchSD in accordance with the relevant statutory requirements. The tenant has twice submitted the plans to ArchSD, the first time in February and the second time in April 2004. The plans for demolition and hoarding works were approved in early April 2004, whereas those for building works failed to secure approval as they did not comply fully with the requirements of the Buildings Ordinance (Cap. 123). Accordingly, the pier modification works could not commence in mid 2004 as originally scheduled.

7. In August 2004, the tenant appointed a new consultant to handle the project. New plans have been submitted to ArchSD in early October. ArchSD is now vetting the plans in consultation with other relevant departments. In the meantime, as the plans for demolition and hoarding works have already been approved, the tenant started such works in September 2004, in order that building works could commence as soon as the outstanding plans are approved.

8. Because of the above technical problems, the tenant advised us in July 2004 that the target date for completion of the pier modification works and commencement of cross-boundary ferry services would be deferred to late April 2005. It should be noted that notwithstanding the delay, the tenant is still required under the tenancy agreement to pay around \$1.35 million to the Government every month starting from December 2004.

9. The tenant has indicated that it would expedite the pier modification works and launch the ferry services to Macau as soon as possible. We will endeavour to facilitate their work.

LEGISLATIVE AMENDMENTS

10. To facilitate effective control, to declare the boundaries of the new Ferry Terminal as well as the restricted area within the Terminal, and to provide for the collection of berthing and embarkation fees, we made the relevant legislative amendments³ in early 2004. They will come into effect through a commencement notice to be made by the Secretary for the Environment, Transport and Works before the commissioning of the Terminal.

ADVICE SOUGHT

11. Members are invited to note the latest progress of the project.

Environment, Transport and Works Bureau
October 2004

³ The Shipping and Port Control (Ferry Terminals) (Amendment) Regulation 2004, the Boundaries of Ferry Terminals (Repeal) Order, the Boundaries of Restricted Areas of Ferry Terminals (Repeal) Notice, the Immigration (Places of Detention) (Amendment) Order 2004 and the Immigration Service (Designated Places) (Amendment) Order 2004