

For Information

Legislative Council Panel on Transport

Pilot Scheme to Extend the Operating Hours of the China Ferry Terminal

PURPOSE

This paper informs Members of a pilot scheme to extend the operating hours of the China Ferry Terminal (CFT) from 7 am – 10 pm to 7 am – 2 am on Saturdays, Sundays and public holidays, through a partnership arrangement with interested cross-boundary ferry operators.

BACKGROUND

2. At present, there are two cross-boundary ferry terminals i.e. the Hong Kong-Macau Ferry Terminal (MFT) at Sheung Wan and CFT at Tsim Sha Tsui. MFT operates round the clock, and CFT operates from 7 am to 10 pm each day.

3. In the past few years, some cross-boundary ferry operators have requested extension of the operating hours of CFT. We consider that it would not be justifiable to use public funds to do so because MFT still has spare capacity after 10 pm. Nevertheless, given the interest of the operators, and considering that some cross-boundary travellers may benefit in terms of convenience, we have devised a pilot scheme which will allow interested operators to use designated areas at CFT to provide cross-boundary ferry services from 10 pm to 2 am (“the extended hours”) on Saturdays, Sundays and public holidays.

THE PILOT SCHEME

4. Under the pilot scheme, interested cross-boundary ferry operators may enter into licence agreements with the Government, which would allow them to occupy and use designated areas adjacent to selected berths at CFT for uses that are not inconsistent with the provisions of the Shipping and Port Control Ordinance (Chapter 313) or the conditions of the relevant Government Lease for CFT, subject to payment of the requisite licence fee. The

Immigration Department, Customs and Excise Department, Marine Department and Department of Health will provide the necessary services at the ferry terminal during the extended hours.

Invitation for Expressions of Interest

5. A notice has been published in local newspapers and the Government Gazette today (10 December 2004) to invite expressions of interest from existing cross-boundary ferry operators¹. Separate letters of invitation will also be issued to them. Nine designated areas (at nine of the 13 berths) at CFT will be put up for allocation. The other four will not be included in this exercise for operational reasons e.g. maintenance. The deadline for the operators to submit expressions of interest is 7 January 2005. If agreement can be reached with interested ferry operators, we will start the arrangement under this pilot scheme in early 2005.

Allocation of Designated Areas

6. An interested operator may bid for a maximum of two designated areas adjacent to two selected berths and may indicate his preference. We will allocate the designated areas according to his preference. If there are not enough designated areas of a particular type to meet the demand of interested operators, those who have expressed interest in taking two designated areas will be given priority over those who wish to take only one. The rationale is to encourage interested operators to provide more ferry services during the extended hours. If two or more operators with equal priority express interest in the same designated area, allocation would be done by drawing lots.

Licence Agreement

7. The licence agreement will provide that the licensee can occupy and use the designated area(s) during the extended hours and has to take out the appropriate insurance. The tenure will be two years, of which the first year will be a fixed term. Either party may terminate the licence after the first year by serving at least six months' advance notice in writing.

¹ There are altogether seven companies operating cross-boundary services from MFT, CFT and SkyPier at the Airport Island.

8. The licensee will need to pay the berthing fee and embarkation fee under the Shipping and Port Control (Ferry Terminals) Regulations (Cap. 313H). In addition, the licence agreement will specify the licence fee to be payable by the licensee. The amount of the licence fee payable by each licensee will be determined by the number of licensees as well as the number and size of the designated area allocated to each of them.

9. The Marine Department will continue to exercise control and management of the restricted area at CFT, including the areas to be allocated through the pilot scheme, and berthing of ferry vessels during the extended hours will continue to be subject to the Director of Marine's control under the Shipping and Port Control (Ferry Terminals) Regulations (Chapter 313H).

ADVICE SOUGHT

10. Members are invited to note the pilot scheme set out in the above paragraphs.

Environment, Transport and Works Bureau
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