

Panel on Economic Services

List of outstanding items for discussion (position as at 20 June 2006)

Proposed timing for discussion

Aviation, Logistics and Port development

1. **The work of the Hong Kong Logistics Council and measures taken to promote logistics development in Hong Kong**

With the advice and support of the Hong Kong Logistics Council (LOGSCOUNCIL), the Administration has adopted a range of measures to promote logistics development of Hong Kong. Progress has been made in the following aspects –

third quarter of 2006

Information connectivity

- The Digital Trade and Transportation Network system was launched in December 2005 to provide a neutral and secure platform for more efficient, reliable and cost-effective data exchange along the supply chain.

Cross boundary logistics cooperation

- Good progress has been made in the Administration's discussion with the Guangdong authorities in respect of licensing, regulation and customs clearance to enhance efficiency of freight flow and to reduce cross-boundary trucking cost.

Marketing

- LOGSCOUNCIL organized a delegation to the Pan-Pearl River Delta Modern Logistics Development Forum in Chengdu in July 2005, and two promotion visits in September 2005 and January 2006 respectively to reach out to industry players in Europe and USA to attract them to use the premium logistics services of Hong Kong. The preparation of a LOGSCOUNCIL report to cover its development since its formation in December 2001 is also underway.

Physical infrastructure

- A detailed feasibility study for the Lantau Logistics Park (LLP) is being conducted for completion in 2006 to pave the way for fulfilling the statutory requirements for

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subsequent reclamation and zoning of the LLP site. The LLP is intended to provide a designated facility for logistics services so as to foster service integration and enhance Hong Kong's logistics competitiveness.

- The Administration plans to put out suitable sites for short and medium term logistics facility use shortly.

Port Competitiveness

- Separately, the Administration has implemented a series of measures including streamlining the port entry procedures by introducing a multiple entry permit, reducing the port fees and charges, enhancing the mid-stream cargo handling capacity by establishing more services anchorages and introducing a six-month annual tonnage fee reduction for Hong Kong registered ships. Some of these measures came into operation on 1 February 2006; the rest will be in place later this year after the necessary legislative procedures are completed.

Looking ahead, various initiatives will be implemented in 2006-2007; these include a pilot study on on-board trucking information system to enhance trucking efficiency, seminars and workshops to promote e-logistics awareness and capability of the logistics industry in particular the SMEs; a user survey-cum-strategic forum to map out the strategy for the future development of Hong Kong's logistics industry and further promotional efforts targeting the Mainland audience.

2. Aviation services

- (a) Extension of aviation network to the Mainland To be confirmed

The Panel would like to be briefed on the progress of the expansion of the air services arrangement with the Mainland.

- (b) "Co-location" of immigration and customs facilities at Hong Kong International Airport To be confirmed

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

Proposed timing for discussion

customs facilities at Hong Kong International Airport.

At the Panel meeting on 24 January 2005, the Administration advised that co-location of immigration and customs facilities at cross-boundary control points involved complex legal and jurisdiction issues. There was no plan to provide co-location of immigration and customs facilities at SkyPlaza.

- (c) Airspace management within Pearl River Delta

Proposed by Hon Howard YOUNG on 24 April 2006.

To be confirmed

Tourism

3. Development of new cruise terminal facilities in Hong Kong

The Government received six suggestions in response to the Invitation for Expressions of Interest (EOI) exercise. An inter-departmental working group is carefully considering the suggestions, based on the requirements set out in the Invitation Document.

To be confirmed

If no suggested location can meet the requirements as set out in the EOI exercise, the Government will proceed with the development of the second cruise terminal at Kai Tak, and see how the process can be expedited. If there is a location which can meet the requirements, the Government will conduct in-depth study on the location following the normal planning procedures and put the site out for competitive bidding after public consultation. The Government will brief the Panel on the result of the EOI exercise and the progress of the development of new cruise terminal facilities as soon as practicable.

Proposed timing for discussion

4. 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 has commissioned a Consultancy Study on the Development of Spa and Resort Facilities to identify the potential of developing world class spa and resort facilities in Hong Kong. The study concludes that market demand will be the driving force for such development and that it is for the private sector to take the lead while the Government should play a facilitating role. Major findings of the study have been uploaded to Tourism Commission's website.

Others

5. Tackling malpractices by unscrupulous traders

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

To be confirmed

Separately, the Panel has received a referral from the Complaints Divisions on a complaint from a member of the public on the unscrupulous selling practices for overseas resorts scheme (vide LC Paper No. CB(1)1697/05-06(01) on 7 June 2006). Members agreed to consider the case in due course.

6. Review of branch post offices

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

To be confirmed