

**LEGISLATIVE COUNCIL
PANEL ON PLANNING, LANDS AND WORKS**

Wan Chai Development Phase II Review

Follow-up to the discussion on 9 June 2006

Follow-up Actions Required

The Administration was requested to take follow-up actions as follows –

- (a) to provide documents to show that the Consultants had been instructed to review the Central-Wan Chai Bypass (CWB) for compliance with the Protection of the Harbour Ordinance and the “overriding public need test” laid down by the Court of Final Appeal;
- (b) to provide copies of the consultancy agreements relating to CWB and the Wan Chai Development Phase II Review which had been awarded to Maunsell Consultants Asia Limited and to provide information on the agreed consultancy fees under the agreements; and
- (c) to provide the assumptions used in arriving at the forecast that the CWB would still have about 30% spare capacity by 2016.

The Administration’s Response

(a) Review of the Central-Wan Chai Bypass and Island Eastern Corridor Link (Trunk Road)

The Consultants were asked to study the Court of Final Appeal judgment in detail under Clause No. 6.1 of the Supplemental Agreement No. 1 of Agreement No. CE 54/2001(CE) entitled “Wan Chai Development Phase II - Design and Construction. A copy of Supplemental Agreement No. 1 is at Annex A.

(b) Copies of Agreements

2. Copies of the Agreement No. CE 5/95, entitled “Design and

Construction of Central-Wan Chai Bypass and Island Eastern Corridor Link”, and Agreement No. CE 54/2001(CE) are at Annexes B and C respectively. Information on the consultancy fees can be found in the Schedule of Fees section of the Agreements.

(c) Assumptions Used in Traffic Forecast for Central-Wan Chai Bypass

Background

3. “The Third Comprehensive Transport Study (CTS-3)” sets out the latest territorial or strategic traffic forecasts. The CTS-3 completed in 1999 confirmed the need for the CWB. Both the model in 1999 and its latest model re-run in 2005 predicted that the CWB would operate at a volume to capacity (v/c) ratio¹ of 0.7 in 2016, meaning that the CWB would have a 30% spare capacity by 2016.

Model Assumptions

4. A number of planning parameters, such as population, employment, economic growth, etc., have been used as assumptions in the CTS-3 model. The assumptions for its model re-run in 2005 are as follows:

Population

5. The average annual growth rate of population from year 2002 to 2016 are assumed to be different across districts to reflect their potential areas for development and hence population intake. The latest statistical data available during the model re-run was in year 2003. However, in order to minimize any effect from SARS, year 2002 was adopted as the base year. The territory’s average annual growth rates are assumed to be 1.1%. The details are tabulated as follows:

¹ Volume to capacity (v/c) ratio is an indicator that reflects the performance of a road. A road with v/c ratio that is equal to or less than 1.0 means that it has sufficient capacity to cope with the volume of vehicular traffic under consideration and that the resultant traffic will flow smoothly. A v/c ratio above 1.0 indicates the onset of congestion; that above 1.2 indicates more serious congestion with traffic speeds deteriorating progressively with further increase in traffic.

Table 1. Population (in thousands)

Year District	2002 (actual)	Assumed average annual growth rate (2002-2016)	2016 (projected)
HK Island	1,311	0.0%	1,302
Kowloon	2,078	1.2%	2,468
New Territories	3,460	1.4%	4,177
Territory Total	6,849	1.1%	7,947

Employment

6. The average annual growth rates of employment from year 2002 to 2016 are assumed to be different across districts. The territory's annual growth rates are assumed to be 1.0%. The details are tabulated as follows:

Table 2. Employment (in thousands)

Year District	2002 (Actual)	Assumed average annual growth rate 2002-2016	2016 (Projected)
HK Island	991	0.3%	1,037
Kowloon	1,104	1.0%	1,256
New Territories	1,078	1.7%	1,362
Territory Total	3,172	1.0%	3,655

Economic Growth

7. The assumed Gross Domestic Product (GPD) annual growth rates are shown in Table 3 below –

Table 3. GDP

Year	Assumed average annual growth rate
2005	5%
2006-2009	4%
2010 onward	3.5%

Vehicle Fleet Sizes

8. The existing fleet sizes for private vehicle and goods vehicle, and their assumed growth rates are shown in Table 4 below-

Table 4. Vehicle Fleet Sizes

Year	Private Vehicles	Goods vehicles
Fleet size in 2004	377,000	110,000
Assumed growth rate (per annum)	2.2%	0.5%

Tunnel Tolls

9. Tolls are assumed to remain constant in real terms over time.

Railway Network Assumptions for 2016

10. The rail network assumptions for 2016 in addition to the existing rail network include –

- Sheung Shui to Lok Ma Chau Spur Line
- Kowloon Southern Link
- Kwun Tong Line Extension
- Shatin to Central Link
- Guangzhou-Shenzhen-Hong Kong Express Rail Link and Northern Link
- West Island Line (from Sheung Wan to Kennedy Town)
- South Island Line East (from South Horizons to Admiralty)

Highways Network Assumptions for 2016

11. The road network assumptions for 2016 in addition to the existing network include –

- Central Kowloon Route
- Trunk Road T2
- Tseung Kwan O – Lam Tin Tunnel
- Route 8 (Tsing Yi to Sha Tin)
- Hong Kong-Shenzhen Western Corridor
- Deep Bay Link
- Hong Kong–Zhuhai–Macao Bridge
- Hong Kong – Zhuhai – Macao Bridge North Lantau Highway Connection