

立法會參考資料摘要

《公共巴士服務條例》 (第 230 章)

新世界第一巴士服務有限公司、 龍運巴士有限公司及 城巴有限公司(機場及北大嶼山巴士網絡專營權) 的專營權事宜

使新專營權不受「利潤管制計劃」規限的擬議決議案

引言

根據《公共巴士服務條例》(「《條例》」)第 5(3)(b)條，除非立法會以決議形式另作決定，否則公共巴士服務專營權須受《條例》第 V 部規定的「利潤管制計劃」規限。一如在二零一二年四月二十四日發出的立法會參考資料摘要¹(見附件一)第 19 段中指出，現建議根據一貫做法，通過附件二所載的決議案(「決議案」)，以使「利潤管制計劃」不適用於新世界第一巴士服務有限公司(「新巴」)、龍運巴士有限公司(「龍運」)及城巴有限公司(機場及北大嶼山巴士網絡專營權)(「城巴」)的新專營權。

背景及理據

2. 行政長官會同行政會議於二零一二年四月二十四日，根據《條例》第 5 條同意批出為期十年的新專營權，給予新巴、龍運及城巴。批出三個新專營權的立法會參考資料摘要，已在同日發出。新巴的新專營權將於二零一三年七月一日生效，而龍運及城巴的新專營權將於二零一三年五月一日生效。

¹ 該立法會參考資料摘要亦已上載至
http://library.legco.gov.hk:1080/search*cht/g?THB%28T%29CR%202%2F5591%2F99&b=lcdms。

「利潤管制計劃」

3. 《條例》第 V 部列出「利潤管制計劃」的條款，就專營巴士公司在其會計年度內可賺取的准許收益作出規定。在「利潤管制計劃」下，巴士車費水平的訂定乃是讓巴士公司可收回成本並賺取某個水平但不超逾准許收益的利潤。如巴士公司任何一年的盈利超逾准許收益，便須把超出的盈利撥入發展基金；如盈利低於准許收益，便可從發展基金提取款項，收回差額。

4. 早年，前立法局及社會提出強烈批評，指「利潤管制計劃」不以專營巴士公司表現的優劣而作出利潤水平保障，減少了公司提升成本效益和減低開支的意欲。「利潤管制計劃」亦變相鼓勵公司過度擴張及提高資產價值。有鑑於此，當時的行政局決定「利潤管制計劃」不適用於自一九九二年批出的新專營權。自此，負責運輸事務範疇的決策局局長在每次批出新專營權後，都會在立法會動議通過決議案，以使「利潤管制計劃」不適用於該等新專營權。自一九九零年代起，立法會一共通過 17 次決議，令「利潤管制計劃」不適用於新批出的專營權。

5. 「利潤管制計劃」自一九九二年取消後，政府採用了考慮一籃子因素²的做法，以評估專營巴士公司的票價調整。考慮的因素當中包括公眾的接受程度和負擔能力。

決議案

6. 現時，「利潤管制計劃」不適用於任何巴士專營權。專營權內亦沒有「利潤管制計劃」及涉及准許收益的安排。當局認為，不設准許收益安排令乘客的利益得到最大的保障。事實上，新巴、龍運及城巴的新專營權，是在政府清楚表明不會有准許收益的基礎上批出的。為落實此安排，我們須使《條例》第 27、28、

² 一籃子因素包括：

- (a) 自上次調整票價以來的營運成本及收益的變動；
- (b) 未來成本、收益及回報的預測；
- (c) 巴士公司需要得到的合理回報；
- (d) 市民的接受程度及負擔能力；
- (e) 服務表現；以及
- (f) 按既定的方程式運算得出只供當局作參考之用的票價調整幅度。方程式為 $0.5 \times \text{運輸業名義工資指數變動} + 0.5 \times \text{綜合消費物價指數變動} - 0.5 \times \text{生產力增幅}$ 。

29 和 31 條不適用於上述的新專營權。

立法程序時間表

7. 立法程序時間表將會如下：

政府當局提出議案預告 二零一三年一月二日

運輸及房屋局局長於立法會提出動議 二零一三年一月二十三日

刊登憲報(如立法會通過動議) 二零一三年一月二十五日

建議的影響

8. 建議符合《基本法》，包括有關人權的條文，並且不會影響《條例》現有的約束力。建議對財政、環境、可持續發展、生產力或公務員都沒有影響。至於經濟方面的影響，「利潤管制計劃」不適用於新專營權，應有助鼓勵相關專營公司更積極改善成本效益和管制開支。

公眾諮詢

9. 我們在二零一一年七月至九月期間，就新專營權的規定邀請公眾及各區議會轄下交通及運輸委員會提出意見，以及在二零一一年七月至二零一二年五月間多次向立法會交通事務委員會報告專營權商議的進度及諮詢交通諮詢委員會。我們已在二零一二年四月二十四日，就批出三個新專營權及其實際條款發出立法會參考資料摘要，當中已清楚交待政府將在三項新專營權開始生效前，按照《條例》第 5(3)(b)條的規定，要求立法會藉決議使「利潤管制計劃」不適用於三個新專營權。當局並沒有就使「利潤管制計劃」不適用於三個新專營權的建議收到任何意見。

宣傳安排

10. 我們會安排發言人回答傳媒的查詢。

查詢

11. 若對本文內容有任何查詢，請與以下人員聯絡 -

運輸署助理署長
李萃珍女士
電話：2829 5562

運輸及房屋局
二零一三年一月

檔號：THB(T)CR 2/5591/99

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引言

二零一二年四月二十四日的行政會議上，行政會議建議，行政長官指令：

- (a) 根據《公共巴士服務條例》(「《條例》」)第 5 條，批出條款載於附件 A*、為期十年的新專營權，授權新世界第一巴士服務有限公司(「新巴」)繼續經營其巴士路綫網絡。新專營權的有效期為二零一三年七月一日凌晨四時至二零二三年七月一日凌晨四時；
- (b) 根據《條例》第 5 條，批出條款載於附件 B*、為期十年的新專營權，授權龍運巴士有限公司(「龍運」)繼續經營其巴士路綫網絡。新專營權的有效期為二零一三年五月一日凌晨四時至二零二三年五月一日凌晨四時；及
- (c) 根據《條例》第 5 條，批出條款載於附件 C*、為期十年的新專營權，授權城巴有限公司(「城巴」)繼續經營其機場及北大嶼山巴士路綫網絡。新專營權的有效期為二零一三年五月一日凌晨四時至二零二三年五月一日凌晨四時。

* 註：專營權文件(附件 A、B 及 C)存放在立法會秘書處，供議員索閱。

理據

巴士專營權

2. 根據《條例》第 5 條，行政長官會同行政會議可向已根據《公司條例》(第 32 章)註冊的公司批予專營權，以經營公共巴士服務。《條例》第 6 條訂明，專營權可獲批予不超逾十年的期間。如行政長官會同行政會議認為適當，可向現有專營公司批予不超逾十年的新專營權，新專營權在其現有專營權屆滿時隨即生效。《條例》第 12 條規定，獲批巴士專營權的專營公司在專營期內的任何時間，均須維持達致運輸署署長(「署長」)滿意程度的適當而有效率的公共巴士服務。政府批予或續批新巴士專營權時的主要考慮因素，是專營公司能否提供適當而有效率的公共巴士服務。

3. 鑑於新巴、龍運及城巴(機場及北大嶼山巴士網絡專營權)(「專營權二」)的現有專營權¹快將屆滿，三間巴士公司已申請續辦為期十年的新專營權。根據既定做法，巴士公司如證明有能力提供適當而有效率的服務，並願意進一步投資於專營巴士的營運，會獲批予為期十年的新專營權。為期十年的專營權的肯定性，有助巴士公司作長遠規劃和發展巴士服務，包括營運虧本但切合市民需要的路線。巴士公司在融資時亦可爭取較佳條件，使其營運成本得以下降。為期十年的專營權也讓巴士公司有空間承受市況短期波動所帶來的業務風險。此外，由於巴士業是勞工密集的服務行業，為期十年的專營權有助專營巴士公司為員工建立更穩定的工作環境，從而為乘客提供適當而有效率的服務。

4. 為評估新巴、龍運及城巴(專營權二)是否有提供適當而有效率的公共巴士服務，運輸署一向透過乘客滿意程度調查、實地調查、車輛檢驗，以及審閱巴士公司定期提交的資料和公眾的意

¹ 新巴的現有專營權由二零零三年八月一日起生效，將於二零一三年七月一日屆滿。龍運及城巴(專營權二)的現有專營權則由二零零三年六月一日起生效，將於二零一三年五月一日屆滿。

至於另外三個現有專營權，即城巴(港島及過海路線專營權)、九龍巴士(一九三三)有限公司及新大嶼山巴士(一九七三)有限公司的現有專營權，要到二零一六或二零一七年才會屆滿。

見，來定期檢視三間公司的服務表現。基於下文第 5 至 8 段所載述的評估，我們認為新巴、龍運及城巴(專營權二)一直提供適當而有效率的公共巴士服務。此外，三間巴士公司已表示願意進一步投資於巴士設施以提升安全和乘客服務、加強向乘客提供的巴士服務資訊、提供更多票價優惠、推行有助改善路邊空氣質素的措施，以及接受擬議新專營權內旨在更妥善地規管公司營運的條款；有關詳情載於下文第 9 至 17 段。同時，三間巴士公司均已進入更換車輛的高峰期。在這方面，三間巴士公司已在其二零一二至二零一六年遠期計劃中表示會計劃投入相當的資金購置新巴士，以更換旗下約 70% 的巴士。鑑於以上所述，我們會在三間巴士公司現有專營權於二零一三年屆滿後，向其批予為期十年的新專營權。新巴、龍運及城巴(專營權二)均已表明，會接納分別載於附件 A、B 及 C 的新專營權。

評估申請

(A) 服務表現

新巴

5. 新巴的主要營運範圍為香港島。在二零一一年年底，新巴有 703 輛巴士行走 92 條巴士路綫，每日載客量約為 480,000 人次。該公司在其現有專營權於二零零三年八月一日生效以來，一直維持令人滿意的服務。在二零零三至二零一一年期間，該公司每年平均脫班班次佔編定班次總數的比率約為 2.3%；按每百萬乘客人次計算，交通投訴組每年平均接獲約 2.37 宗有關該公司的投訴；在安全方面，該公司每年每百萬行車公里的平均巴士意外率為 5.79 宗²。整體而言，新巴的營運和網絡效率均有所改善，巴士數目由二零零三年的 732 輛減至二零一一年的 703 輛。自二零零三年起，新巴落實了 434 個服務改善³ 和 233 個服務重整⁴ 項目。

² 新巴旗下巴士平均每年每百萬行車公里的意外率較高，是因為其巴士路綫行經市區，而市區的交通較為擠塞及較易發生意外。

³ 服務改善措施主要包括開設新路綫、增加班次、延長服務時間和延長路綫。

⁴ 服務重整措施主要包括取消路綫、減少班次、縮短路綫和重訂路綫。

龍運

6. 龍運營運的巴士路線往來新界(將軍澳除外)及北大嶼山(包括機場)。在二零一一年年底，龍運有 163 輛巴士行走 19 條巴士路線。該公司在其現有專營權於二零零三年六月一日生效以來，一直維持令人滿意的服務。在二零零三至二零一一年期間，該公司每年平均脫班班次佔編定班次總數的比率約為 0.8%；按每百萬乘客人次計算，交通投訴組每年平均接獲約 2.14 宗有關該公司的投訴；在安全方面，該公司每年每百萬行車公里的平均巴士意外率為 1.16 宗。自二零零三年起，龍運落實了 101 個服務改善和 19 個服務重整項目。龍運的每日載客量，由二零零三年約 52,800 人次增至二零一一年約 83,000 人次。龍運旗下巴士的總數由二零零三年的 145 輛增至二零一一年的 163 輛，以應付東涌新市鎮人口的增長，以及市民往來機場與北大嶼山的交通需求。

城巴(專營權二)

7. 城巴(專營權二)營運的巴士路線，往來市區/將軍澳及北大嶼山(包括機場)。在二零一一年年底，城巴(專營權二)有 172 輛巴士行走 19 條巴士路線。該公司在其現有專營權於二零零三年六月一日生效以來，一直維持令人滿意的服務。在二零零三至二零一一年期間，該公司每年平均脫班班次佔編定班次總數的比率約為 0.6%；按每百萬乘客人次計算，交通投訴組每年平均接獲約 3.77 宗有關該公司的投訴；在安全方面，該公司每年每百萬行車公里的平均巴士意外率約為 1.94 宗。自二零零三年起，城巴(專營權二)落實了 56 個服務改善和 41 個服務重整項目。城巴(專營權二)的每日載客量，由二零零三年約 41,500 人次增至二零一一年約 64,000 人次。城巴(專營權二)旗下巴士的總數由二零零三年的 164 輛增至二零一一年的 172 輛，以應付東涌新市鎮人口的增長，以及市民往來機場與北大嶼山的交通需求。

市民對巴士服務的意見

8. 為收集乘客對三間專營巴士公司的服務的整體意見，運輸署於二零一一年六月委託公司進行了獨立的意見調查⁵。調查涵蓋

⁵ 調查結果的摘要已上載至

http://www.td.gov.hk/tc/transport_in_hong_kong/public_transport/buses/index.html。

的服務範疇包括巴士的舒適程度、巴士上的設施、乘客資訊，巴士服務的可靠性、車長的駕駛表現、車長和職員的服務態度，以及巴士在環境保護方面的表現。調查結果顯示，分別有 86%、87% 和 90% 的受訪者，滿意新巴、龍運及城巴(專營權二) 的整體服務質素。

(B) 新專營權條款及巴士公司所作的承諾

9. 雖然新巴、龍運及城巴(專營權二)在其現有專營權下提供適當而有效率的巴士服務，然而當局已取得三間專營巴士公司的同意，在新專營權⁶中增訂條款或修訂原有條款，以及在新專營權下承諾就以下方面作出具體措施：

- (a) 推出票價優惠措施；
- (b) 提升巴士服務水平；
- (c) 加強向乘客提供巴士服務資訊；
- (d) 推行環境改善措施；及
- (e) 加強政府的規管。

新專營權主要的新增和修訂條款，以及巴士公司就具體措施所作的承諾，載於下文第 10 至 17 段。另外，主要的新增和經修訂的專營權條款的摘要，載於附件 D，以供參考。

(a) 票價優惠措施

10. 多年來，新巴、龍運及城巴(專營權二)推出各項票價優惠計劃，務求更能切合乘客的需要。現時，三間巴士公司提供的票價優惠如下：

- (i) 116 項巴士轉乘優惠計劃(「轉乘計劃」)；
- (ii) 112 條路綫(在合共 128 條路綫中佔 88%)設有分段收費；
- (iii) 6 條路綫設有即日回程折扣優惠；

⁶ 我們已在新巴、龍運及城巴(專營權二)的新專營權內增訂或修訂相關條款，使之與另外三間專營巴士公司，即九龍巴士(一九三三)有限公司、新大嶼山巴士(一九七三)有限公司及城巴有限公司(港島及過海路綫專營權)，在二零零六年獲批予的專營權一致。此外，我們在專營權內加入新增和更新條款，以使巴士服務與時並進，及更切合公眾期望。

- (iv) 11 條路綫特別為機場員工⁷提供票價優惠；及
- (v) 6 條路綫提供預繳票價折扣。

11. 我們與三間巴士公司擬訂新的票價優惠措施時，特別着重通過公眾參與過程期間接獲的建議，以及三間巴士公司主要服務範圍所涵蓋的乘客(即機場員工，東涌、港島區和將軍澳的居民)的長期訴求。在商議期間，我們的主要目的是爭取能夠惠及更多乘客的優惠，同時顧及巴士公司的整體財政能力和資源需求，以及關乎全部乘客的整體票價最終所受到的影響。

12. 新巴、龍運及城巴(專營權二)承諾在新專營權生效時，推出合共 60 項新增票價優惠計劃，包括：

- (i) 27 項新的轉乘計劃，包括：
 - 龍運與城巴(專營權二)，以及新巴與九龍巴士(一九三三)有限公司(「九巴」)旗下獨營路綫，首次提供巴士轉乘計劃；還有龍運與九巴的轉乘計劃由 1 項增至 6 項。這些轉乘計劃代表具象徵意義的突破，為轉乘計劃揭開新的一頁；及
 - 龍運及城巴(專營權二)承諾在青馬收費廣場提供合共 4 項新的轉乘計劃。落實該承諾後，兩間巴士公司便會各自提供覆蓋旗下所有機場路綫(「A」綫)和對外路綫(「E」綫)來回巴士服務的全面轉乘計劃；
- (ii) 在 27 條行走港島、東涌和機場的路綫增設新的分段收費；
- (iii) 在 5 項現有優惠計劃下提供更低的優惠票價；及
- (iv) 在 1 條「A」綫為機場員工提供即日回程折扣優惠。

13. 為回應公眾有關更多轉乘計劃和分段收費的期望，三間巴士公司承諾新增的票價優惠措施撮錄於附件 E。新增的轉乘計劃，特別是跨公司的轉乘計劃，會為乘客帶來方便並節省車資。乘客利用新增的 27 項轉乘計劃轉乘所涵蓋的巴士路綫，可節省 0.5 元至 18 元。此外，27 條增設新的分段收費的路綫，可讓乘客節省

⁷ 城巴(專營權二)在其旗下全部 6 條機場路綫及 3 條通宵路綫，均有為機場員工提供特別票價折扣。龍運在其旗下 2 條通宵路綫，也有為機場員工提供票價折扣。

0.3 元至 24.9 元。這些新增的票價優惠計劃推出後，可能受惠的乘客數目會由每天 170,000 人次增至 177,000 人次。跨公司的轉乘計劃和主要票價優惠計劃的詳情，載於附件 F。

(b) 提升巴士服務水平

14. 為提升巴士安全及服務，三間巴士公司同意增訂專營權條款，賦權署長規定巴士公司提供設施或裝置，以提升巴士的一般服務和安全的水平。為使專營權內有關巴士上的設施的新條款發揮實際效用，並為提升服務水平，所有三間巴士公司同意就以下主要措施作出承諾：

- (i) 訂定新購巴士的規格時，採用加入無障礙和便利長者設施的巴士設計。主要包括低地台和可供輪椅上落的設計、輪椅停放處連相關安全帶裝置、供有需要人士使用的優先座位、經改良的扶手設計、伸手可及的按鈴、報站系統，以及顯示終點站和路線編號的大字體電子顯示屏；
- (ii) 提供質素較佳的巴士(例如座位設計更為舒適)行走「A」綫(現由龍運和城巴(專營權二)營運)；
- (iii) 提供防止或減少巴士潛在火警危險的設施，包括在引擎艙安裝火警警報或自動滅火系統，以及在新巴士安裝引擎艙一旦發生火警便會自動關閉的空調系統；
- (iv) 提供進一步加強安全的設施和裝置，例如安裝黑盒系統、在樓梯加設雙扶手，以及安裝輔助巴士倒車和監察車廂情況的攝影機；
- (v) 容許乘客攜帶已妥善摺合和包裝，以及不會對其他乘客構成危險的摺合式單車登上專營巴士；
- (vi) 在合理可行的情況下，確保巴士車廂內的二氧化碳濃度水平符合環境保護署(「環保署」)當前的空氣質素指引；及
- (vii) 在可行情況下，在新增有上蓋的巴士站提供乘客座椅設施，而有關設施的設計和建造須經相關政府部門批准。

(c) 加強向乘客提供巴士服務資訊

15. 所有三間巴士公司均同意更新現行專營權內一項現有條款，以加強署長對規管巴士公司向乘客提供資訊的種類、形式和方法的權力。經修訂的專營權條款特別規定，專營公司須按署長要求，在其網站和透過輕易用到的常見網絡瀏覽器提供服務資訊。在這方面，三間巴士公司已作出以下承諾：

- (i) 在主要巴士總站安裝更多液晶體顯示屏，展示路線資訊，以及下一班巴士開出的時間；
- (ii) 加強在車上提供的乘客資訊。新巴及城巴(專營權二)會為所有新購巴士安裝液晶體顯示屏，展示當時巴士所行路線的中途車站，而龍運則會在所有巴士的車廂內提供更詳盡的路線資訊；
- (iii) 透過互聯網和智能電話應用程式，提供乘客資訊及查詢系統，並在適當時進一步改良資訊及查詢系統；及
- (iv) 關於巴士到站時間的資料，城巴(專營權二)同意在二零一二年年底或之前，透過公司網站和智能電話，提供所有其旗下「A」綫的巴士到站實時資料。龍運已同意在二零一三年年中或之前，於選定路線展開提供巴士到站實時資料的試驗。新巴會為常客較少或班次較疏的選定路線，在主要巴士站及該公司網站提供編定巴士班次的到站時間。

(d) 環境改善措施

16. 為改善路邊空氣質素，所有三間巴士公司均同意：

- (i) 修訂專營權內有關購置新巴士的現有條款，規定巴士公司在考慮可行性，以及公司和乘客的負擔能力後，購置在廢氣排放而言最為環保、且技術獲確認而市場上已有供應的巴士(最終目標是轉用零排放巴士)；
- (ii) 在專營權增訂條款，規定巴士公司在合理可行的情況下，在巴士上採用由署長指定，市場上已有供應的技術和產品，以減少廢氣排放和噪音；及

- (iii) 承諾在合理可行的情況下，調配低排放巴士(即符合歐盟四期或以上廢氣排放標準，或已安裝選擇性催化還原器⁸(「還原器」)的巴士)，行走環保署在銅鑼灣、中環及旺角劃設的低排放區試點。目標是到二零一五年，只有低排放巴士在這些低排放試點區內行走。

(e) 加強政府的規管

17. 為更好地確保市民可獲適當而有效率的公共巴士服務，我們取得新巴、龍運及城巴(專營權二)的同意，在新專營權中增訂條款或修訂原有有關政府監管巴士公司的服務及財務狀況的條款，以致巴士公司實際上必須：

- (i) 每年進行系統審核，確保提交署長的營運和財務資料的完整性；
- (ii) 加強採購指引，確保巴士公司與有關連人士的交易具透明度且公平；及
- (iii) 更清晰地訂明固定資產折舊的計算方法，包括巴士公司藉從政府所得到的資助而購置的固定資產的折舊計算方法，以及日後計算非柴油巴士(例如混合動力巴士或電動巴士)的折舊時，可按需要增加彈性以使用不同的折舊年期。

(C) 專營期

18. 在專營期方面，《條例》第 6(1)條訂明，專營權可獲批予不超逾十年的期間。新專營權為期十年，詳情如下：

⁸ 環保署和專營巴士公司現正進行試驗，在歐盟二期和三期巴士安裝還原器，務求達致符合歐盟四期或以上的廢氣排放標準。如試驗成效理想，政府會全數資助所有歐盟二期和三期巴士安裝還原器。

巴士公司

新專營權的年期

新巴	二零一三年七月一日凌晨四時 ⁹ 至二零二三年七月一日凌晨四時
龍運	二零一三年五月一日凌晨四時至二零二三年五月一日凌晨四時
城巴(專營權二)	二零一三年五月一日凌晨四時至二零二三年五月一日凌晨四時

19. 根據《條例》第 5(3)(b)條，除非被立法會藉決議排除，否則專營權須受《條例》第 V 部規定的利潤管制計劃所規限。在利潤管制計劃下，巴士車費水平的訂定乃是讓巴士公司可收回成本並賺取某個水平，但不超逾准許收益的利潤。如巴士公司任何一年的盈利超逾准許收益，便須把超出的盈利撥入發展基金；如盈利低於准許收益，便可從發展基金提取款項，彌補利潤的不足。有鑑於前立法局及社會強烈批評利潤管制計劃變相鼓勵專營巴士公司過度擴張及提高其資產價值、不論表現優劣仍可獲保障利潤水平，和欠缺鼓勵改善成本效益和管制開支的誘因，以及因應前行政局於一九九二年六月作出的決定，利潤管制計劃並不適用於此後批出的新巴士專營權。自此，根據一貫程序，我們會在三項新專營權開始生效前，按照《條例》第 5(3)(b)條的規定，要求立法會藉決議使利潤管制計劃不適用於該等新專營權。

批出新專營權的影響

20. 批出新專營權對經濟、環境及可持續發展的影響載列於附件 G。批出新專營權符合《基本法》，包括有關人權的條文，並對生產力、財政及公務員無影響。

⁹ 現時的專營期會在屆滿之日凌晨四時完結，以確保如專營期屆滿後改由另一巴士營辦商提供巴士服務，該專營權有效期最後一天至翌日清晨期間巴士服務仍會繼續。新專營權會在現有專營權屆滿後隨即生效。

公眾諮詢

(A) 公眾參與及立法會交通事務委員會

21. 我們在二零一一年七月至九月期間，就新專營權的規定邀請公眾及各區議會轄下交通及運輸委員會提出意見。此外，我們曾在二零一一年七月十一日、二零一一年十一月七日(有團體代表出席)、二零一一年十二月五日及二零一二年三月九日的會議上諮詢立法會交通事務委員會(「委員會」)。我們並就委員會二零一二年四月十二日的會議提交有關商議的進度報告。委員會備悉當局對申請的評估，以及與現有專營公司商議新專營權的建議。委員會的討論重點是新專營權的各項規定。當局最後合共收到 141 份有關新專營權規定的意見書。

22. 在公眾參與過程中，最受關注的三個範疇是(i)推出更多票價優惠；(ii)加強乘客資訊及改善乘客設施，特別是為長者和傷殘人士提供無障礙設施；以及(iii)推行環境改善措施。當局與巴士公司議定的方案，即專營權新增和修訂條款，以及巴士公司同意作出的新承諾，是經充分考慮上述的關注及多番商議的結果。

(B) 交通諮詢委員會的意見

23. 當局在二零一一年七月二十六日及二零一二年三月二十七日，就向三間巴士公司擬議批予新專營權一事，諮詢交通諮詢委員會(「交諮會」)。交諮會在考慮所有相關因素、專營權條款的修訂，以及巴士公司為更好地回應公眾對票價、服務質素和環保方面的期望所作出的承諾後，支持在新巴、龍運及城巴(專營權二)的現有專營權於二零一三年屆滿後，向三間巴士公司分別批予為期十年的新專營權。交諮會的意見已詳述在載於附件 H 致運輸及房屋局局長的函件中。

宣傳安排

24. 我們會在二零一二年四月二十四日發出立法會參考資料摘要及新聞稿，及安排發言人回答傳媒的查詢。新專營權文本會以一般公告形式刊憲，以供公眾查閱。

查詢

25. 若對本文內容有任何查詢，請與以下人員聯絡 -

運輸署助理署長
呂瑩女士
電話：2829 5210

運輸及房屋局
二零一二年四月

New World First Bus Services Limited

Public Bus Services Ordinance (Chapter 230)

FRANCHISE

In exercise of the powers conferred by section 5 of the Public Bus Services Ordinance, the Chief Executive in Council hereby grants to New World First Bus Services Limited, a company incorporated in the British Virgin Islands and registered under the Companies Ordinance, and having its principal place of business in Hong Kong at No.8 Chong Fu Road, Chai Wan, Hong Kong, the right to operate a public bus service on the routes specified in the appropriate Schedule of Routes order from time to time in force in respect of the said company under section 5(1), and in any notices under sections 14 and 15, of the Public Bus Services Ordinance, subject to the conditions hereinafter contained namely:—

PART I

PRELIMINARY

1. (1) In this franchise, unless the context otherwise requires:— Interpretation

“Bus Service”

means the Grantee’s business of operating a public bus service under this franchise;

“Certification Body”

means a certification body accredited under the Hong Kong Certification Body Accreditation Scheme by the Hong Kong Accreditation Service, Innovation and Technology Commission;

“Clause”

means a clause of this franchise;

“Commencement Date”

means 04:00 Hours 1 July 2013;

“Facilities”

means each of the following and includes parts thereof:—
bus stop signs, bus stop sign posts, canopies, shelters, seats, queue railings, lighting at bus stops, terminal points and termini; information panels and equipment; customer service centres; bus regulators’ offices and kiosks; air-conditioned passenger waiting areas; television broadcasting and all other audio-visual equipment; and such other facilities that are used by the Grantee for the purpose of or in connection with the Bus Service, and in the event of any dispute as to the

meaning of any of the aforesaid, shall be determined by the Commissioner after consultation with the Grantee;

“Forward Planning Programme”

means a programme which is in force from time to time under section 12A of the Ordinance;

“Franchise Period”

means the period referred to in Clause 4;

“Grantee”

means New World First Bus Services Limited;

“Hong Kong”

means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Ordinance”

means the Public Bus Services Ordinance (Cap. 230);

“Other Grantee”

means any other company which is a grantee of a public bus franchise under the Ordinance;

“Passenger Liaison Groups”

means the passenger liaison groups established pursuant to Clause 15(1);

“Qualified Auditor”

means a person who:–

- (a) is qualified for appointment as an auditor of a company under the Professional Accountants Ordinance (Cap. 50); and
- (b) is not disqualified under section 140(2) of the Companies Ordinance (Cap. 32);

“Related Party” or “Related Parties”

means a party or parties that is/are considered to be related for the purposes of the Hong Kong Accounting Standard (HKAS) No. 24 (Revised) “Related Party Disclosures” issued by the Hong Kong Institute of Certified Public Accountants in November 2009 as the same may be amended from time to time.

- (2) Any expression or word not specifically herein defined shall have the meaning assigned to it by the Ordinance and, if not defined therein, by the Interpretation and General Clauses Ordinance (Cap. 1) and/or the Hong Kong Reunification Ordinance (Cap. 2601).

(3) For the avoidance of doubt, unless there is express provision to the contrary, the Grantee shall at no cost to Government comply with any direction and requirement given under this franchise by the Commissioner, the Financial Secretary or any other public officer.

(4) For the avoidance of doubt:–

(a) where this franchise confers upon any public officer power to do or enforce the doing of any act or thing, all such powers shall be also conferred as are reasonably necessary to enable the public officer to do or enforce the doing of the act or thing.

(b) without prejudice to the generality of paragraph (a) above, where this franchise confers power upon any public officer:–

(i) to grant approval, consent or exemption, such power shall include power to impose reasonable conditions subject to which such approval, consent or exemption may be granted;

(ii) to approve any person or thing, such power shall include power to withdraw approval thereof; and

(iii) to give directions, such power shall include power to couch the same in the form of prohibitions.

- | | | |
|----|--|---|
| 2. | (1) This franchise is granted subject to the Grantee complying with the terms and conditions on its part to be performed in any franchise applicable to the Grantee under the Ordinance and in force in the period ending 04:00 Hours 1 July 2013 and with the provisions of the Ordinance. | Franchise subject to performance of obligations, etc. |
| | (2) The Ordinance shall apply to this franchise in full and for all purposes. Nothing in this franchise is intended or shall be construed to affect, restrict, limit or diminish in any way any of the powers (including discretion or privilege) of the Government, the Commissioner or any other public officer under the Laws of Hong Kong. | |
| 3. | The Grantee shall have the non-exclusive right to operate a public bus service on the routes which are specified in the Schedule of Routes order for the time being in force. | Routes Order |
| 4. | This franchise is granted for the period from and including the Commencement Date until 04:00 Hours 1 July 2023 and such period may be extended under section 6(2) or (3) of the Ordinance. | Franchise Period |

- | | | |
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| 5. | For the purposes of section 8 of the Ordinance, a majority of the directors of the Grantee shall be ordinarily resident in Hong Kong irrespective of their nationality. | Residential requirement |
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PART II

GENERAL

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| 6. | The Grantee shall, if requested by the Financial Secretary, take such steps as are necessary and reasonable to have and to continue to have its shares listed on the Stock Exchange Company as defined in section 1 of Schedule I to the Securities and Futures Ordinance (Cap.571). | Grantee's shares to be listed on the Stock Exchange Company |
| 7. | <p>(1) The Grantee shall, as far as practicable, acquire, provide, adopt, maintain, or modify to the satisfaction of the Commissioner such safety or service enhancement facilities, installation, fixtures, fittings, apparatus or equipment on its buses as may be reasonably required by the Commissioner after consultation with the Grantee.</p> <p>(2) Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such Facilities as may be reasonably required by the Commissioner after consultation with the Grantee.</p> | Provision of the Facilities etc. |
| 8. | Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such canteens, washrooms and toilets for its employees and the employees of any Other Grantee as the Commissioner considers appropriate after consultation with the Grantee. | Provision of canteens, washrooms and toilets |
| 9. | <p>(1) The Commissioner may, after consultation with the Grantee, direct in writing that for a specified period with effect from a specified date the Grantee shall share or permit the sharing of the use of any or all of the bus stops, terminal points, termini, Facilities (other than those provided on-bus), canteens, washrooms and toilets acquired, provided or adopted by the Grantee or any Other Grantee whether under this or any other franchise, as the case may be.</p> <p>(2) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the Grantee shall cease using, vacate or remove any bus stops, terminal points, termini and Facilities which are or have been used by the Grantee under this or any other franchise and which are not required for use by the Grantee for the Bus Service.</p> <p>(3) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the Grantee shall:—</p> | Shared use of bus stops etc. |

- (a) make available and transfer the Grantee's whole right, title and interest in the Facilities (other than those provided on-bus) acquired, provided or adopted by the Grantee under this or any other franchise to any Other Grantee; and
 - (b) accept the transfer of and assume responsibility for any facilities (other than those provided on-bus) which are used by any Other Grantee and which are to be transferred to the Grantee by virtue of a direction given by the Commissioner to any Other Grantee under the provisions of any other franchise with similar effect to Clause 9(3)(a).
 - (4) In the event that the Commissioner makes a direction:–
 - (a) under Clause 9(1), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to maintenance responsibilities and the fair and equitable apportionment on the expenses of maintaining the Facilities (other than those provided on-bus), canteens, washrooms and toilets between the Grantee and the Other Grantee; and
 - (b) under Clause 9(3)(a) or (b), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to a fair and equitable price for acquiring or providing the facilities or Facilities (other than those provided on-bus).
 - (5) In the event that the Grantee and the concerned Other Grantee fail to reach agreement under Clause 9(4)(a) or (b) within a reasonable time to be specified by the Commissioner, the Grantee and the concerned Other Grantee shall enter into an agreement on what the Commissioner may determine to be a fair and equitable apportionment or price for the purpose of Clause 9(4)(a) and (b).
10. (1) No Facilities, installation, fixtures, fittings, apparatus or equipment shall be constructed, erected, installed or permitted at, on or in any bus stops, terminal points, termini or buses without the prior approval in writing of the Commissioner. The Commissioner may require the Grantee to remove any Facilities, installation, fixtures, fittings, apparatus or equipment which are constructed, erected, installed or permitted in contravention of this Clause.
- Approval of Commissioner required in connection with the Facilities, canteens, washrooms and toilets
- (2) No canteens, washrooms or toilets referred to in Clause 8 shall be constructed, erected or installed nor shall any structural alteration or change in use be made thereto without the prior approval in writing of the Commissioner.
11. (1) The Grantee shall not for the purposes of advertising, sponsorship or commercial promotion use or permit the use of, the Facilities,
- Advertising, etc.

canteens, washrooms and toilets of the Grantee or any Other Grantee without the prior approval in writing of the Commissioner (such approval shall not be unreasonably withheld).

- (2) Any agreement or arrangement in respect of any advertising, sponsorship or commercial promotion entered into by the Grantee with the prior approval in writing of the Commissioner under Clause 11(1) above shall be and be made subject to the terms and conditions of this franchise.

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| 12. | The Commissioner may by notice in writing direct the Grantee to use such terminal points or termini and facilities which will be made available by Government at no cost to the Grantee for the purposes of parking and turn-around of buses used by the Grantee on any of the specified routes. | Government to provide parking facilities at terminal points |
| 13. | <p>(1) Subject to Clause 13(3), the Grantee shall, at such place as the Commissioner may direct in writing, make available free of charge for inspection by members of the public a copy of the Schedule of Routes order for the time being in force and any notice given under section 15 of the Ordinance.</p> <p>(2) Subject to Clause 13(3), the Grantee shall cause to be displayed free of charge for viewing by members of the public in a conspicuous place:—</p> <p style="margin-left: 40px;">(a) at each terminal point or terminus of a specified route; and</p> <p style="margin-left: 40px;">(b) at such bus stops as may be specified by the Commissioner</p> <p>information on the location of the bus stops and the fares and timetables applicable to the bus service on such specified routes.</p> <p>(3) The Grantee shall provide the information mentioned in Clause 13(1) and 13(2) above in such form and manner, by such means, and at such times as may be reasonably required by the Commissioner, after consultation with the Grantee.</p> | Display of routes and fares |
| 14. | <p>(1) The Grantee shall make available to the public, in relation to the bus service on each specified route, the following information:—</p> <p style="margin-left: 40px;">(a) the bus fares;</p> <p style="margin-left: 40px;">(b) the route and timetable;</p> <p style="margin-left: 40px;">(c) the location of bus stops, journey time and any other related information, as may be reasonably required by the Commission after consultation with the Grantee</p> | Making available information on specified route, etc. |

in such form and manner, by such means and at such times as may be specified from time to time by the Commissioner.

- (2) The Grantee shall make available to the public the information referred to in Clause 14(1) (a) to (c) above for free or for a fee not exceeding that determined by the Commissioner.
- (3) The Grantee shall also make available to the public, the information referred to in Clause 14(1) (a) to (c) above on the Grantee's website, and through readily accessible common web browsers as may be reasonably required by the Commissioner after consultation with the Grantee.

15. (1) The Grantee shall, to the satisfaction of the Commissioner, make appropriate arrangements including the establishment of Passenger Liaison Groups to liaise, communicate with and receive opinions of the public for the purpose of assessing and improving standards of the Bus Service. Passenger Liaison Groups
- (2) The Grantee shall, to the satisfaction of the Commissioner, provide the Passenger Liaison Groups with reasonable facilities for meetings including venues, postage and stationery, as they may require from time to time.
 - (3) The Grantee shall promulgate such rules for membership and meetings of the Passenger Liaison Groups, rules for attendance by officers of the Transport Department as observers, terms of reference of the Passenger Liaison Groups and, without limitation, such other terms relating to the Passenger Liaison Groups, their members or constitution as the Commissioner may direct or approve in writing. Any officer of the Transport Department may attend the meetings of the Passenger Liaison Groups as an observer.
 - (4) The Grantee shall use its reasonable endeavours to facilitate meetings of each of the Passenger Liaison Groups at least once every two months or as and when the Commissioner may reasonably require for the purpose of making proposals for maintaining or improving standards relating to the Bus Service.
 - (5) The Grantee shall report to the Commissioner, at least once every two months or as and when directed by the Commissioner, the details of passenger liaison arrangements made by the Grantee, the proposals made by the Passenger Liaison Groups and implementation of those proposals.
 - (6) The Grantee shall waive and forego all rights to sue each member or observer of the Passenger Liaison Groups in respect of any statement defamatory of the Grantee made by him during a meeting of a Passenger Liaison Group or in any communication

published only to the members of a Passenger Liaison Group or to any officer of the Transport Department attending any such meeting as an observer in respect of the Bus Service unless such statement is made maliciously.

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| 16. | The Grantee shall to the satisfaction of the Commissioner make appropriate arrangements to conduct passenger satisfaction surveys in such form and manner, by such means and at such times as may be reasonably required by the Commissioner, after consultation with the Grantee. | Passenger satisfaction survey |
| 17. | <p>(1) The Grantee shall furnish the Commissioner, on or before 15 January each year in such form as the Commissioner may specify from time to time, with information on:—</p> <p>(a) premises provided and maintained by the Grantee under section 19 of the Ordinance as at 31 December of the preceding year; and</p> <p>(b) facilities provided by the Grantee and their locations as at 31 December of the preceding year for the construction, repair and maintenance of the buses and other vehicles used or kept by the Grantee for the purposes of or in connection with this franchise.</p> <p>(2) The Commissioner may, after consultation with the Grantee, from time to time direct by notice in writing to the Grantee the manner in which the Grantee is to use any of the specified premises provided and maintained by the Grantee under section 19 of the Ordinance.</p> | List of premises and maintenance facilities |
| 18. | <p>The Grantee shall, as and when directed by and to the satisfaction of the Commissioner:—</p> <p>(a) provide and maintain for the purpose of regulating, controlling and directing bus movements a control centre which shall be:—</p> <p style="margin-left: 40px;">(i) situated at such location as the Commissioner may direct; and</p> <p style="margin-left: 40px;">(ii) manned at all times by competent personnel of the Grantee;</p> <p>(b) provide and maintain at all times direct communication links between the control centre and the emergency contact point of the Transport Department designated by the Commissioner;</p> <p>(c) design a contingency plan to meet any exigency that may arise in respect of the Bus Service and shall promptly carry out the measures contained in the contingency plan when such exigency arises; and</p> | Provision of control centre and contingency arrangement |

- (d) provide assistance, including sending competent personnel to attend the emergency control centre of the Transport Department.
19. (1) The Grantee may provide, or permit the provision of, ancillary or add-on services subject to prior approval in writing of the Commissioner. Provision of ancillary and add-on services
- (2) The Grantee shall provide such ancillary or add-on services as may be reasonably required by the Commissioner for the purpose of the Bus Service after consultation with the Grantee.

PART III

FINANCIAL

20. In this Part, unless the context otherwise requires:— Definitions in Part III
- “Appointed Actuary”
means an actuary who
- (a) has the qualifications as prescribed for the appointment of actuaries under the Insurance Companies (Actuaries’ Qualifications) Regulations (sub. leg., Cap. 41); and
- (b) is in practice with a firm providing actuarial consultancy services in Hong Kong;
- “Contingency Fund”
means all contingency funds provided or to be provided by the Grantee for meeting its liabilities including without limitation those for third party risks in respect of the Bus Service but excluding any contingency funds for any loss of revenue due to any cause whatsoever;
- “Fair Market Value” of any of the Fixed Assets
means the market price at which the assets could be acquired in a transaction at arm’s length between persons that are not Related Parties;
- “Fixed Assets”
means:—
- (a) land, buildings, furniture, fixtures and fittings, buses, coaches and other motor vehicles, plant, machinery and equipment;
- (b) other fixed assets;

- (c) all assets mentioned in (a) and (b) which are in the course of construction or in transit; and
- (d) payments on account of all assets mentioned in (a), (b) and (c)

in which the Grantee has any right, title or interest (including assets acquired through finance leases) and which are used or to be used or kept or to be kept by the Grantee for the purposes of or in connection with the Bus Service;

but excludes stores and spares including but not limited to items which have not been used but may form part of any buses, coaches or other motor vehicles, plant, machinery and equipment which are used or to be used or kept or to be kept by the Grantee for the purpose of or in connection with the Bus Service, irrespective of the amount of the unit cost of each item;

“Funds”

means both the Contingency Fund and the Pension Fund unless the Commissioner determines otherwise;

“Gross Revenue”

means the total income or revenue of the Grantee derived or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) revenue of the Grantee from fares directly or indirectly appertaining to the Bus Service;
- (b) income derived or realised directly or indirectly from Fixed Assets including but not limited to rents, advertising and private hire;
- (c) interest on cash and bank balances of the Grantee consisting of or representing funds derived or arising from the Bus Service;
- (d) income derived or realized directly or indirectly from any investment or commercial transactions, other than from Fixed Assets, made by the Grantee of funds derived or arising from the Bus Service;
- (e) income or revenue derived by the Grantee from any transaction, operation, business or activity connected with or otherwise related or ancillary, whether directly or indirectly to the Bus Service; and
- (f) currency gains realized by the Grantee in or in connection with:–

- (i) the acquisition of Fixed Assets, stores and spares;
- (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
- (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
- (iv) other transactions which are directly related to the Bus Service,

but excludes capital gains or capital receipts of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;

“Pension Fund”

means the fund or funds provided or to be provided by the Grantee for the payment of employees’ pensions or other retirement benefits in respect of employees engaged directly or indirectly in the operation of the Bus Service;

“Service-Related Expenditure”

means the total expenditure of the Grantee incurred or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) operating costs directly or indirectly incurred by the Grantee appertaining to the operation of the Bus Service and contributions to the Funds required in accordance with the assessment made by the Appointed Actuary;
- (b) depreciation as charged in accordance with Clause 21;
- (c) expenditure in establishing and maintaining public liaison and arranging for passenger satisfaction surveys in accordance with Clause 15 and 16; and
- (d) currency losses suffered by the Grantee in or in connection with:–
 - (i) the acquisition of Fixed Assets, stores and spares;
 - (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
 - (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
 - (iv) other transactions which are directly related to the Bus

Service,

but excludes:–

- (A) capital losses of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;
- (B) capital expenditure incurred in or arising from or connected with the Bus Service (other than that provided in sub-paragraph (d)(i) above);
- (C) any amount of over-provisioning in the accounts of the Grantee; and
- (D) any amount of amortisation or depreciation effected (if any) in respect of any right, title or interest in land;

“Undertaking”
means:–

- (a) all the assets listed in Schedule I as the same is updated or revised in accordance with Clause 22(2); and
- (b) all Fixed Assets and stores and spares which have been acquired by the Grantee to be included in Schedule I but before the same have been included pursuant to Clause 22(2).

21. For the purpose of this franchise, the following practice shall be observed in the accounts of the Grantee:–

Depreciation of
Fixed Assets

- (1) With effect from the Commencement Date, depreciation expenses of the Grantee’s Fixed Assets shall be calculated at their costs of acquisition and by applying, on a straight-line basis, annual rates of depreciation derived from the useful lives, and subject to the residual values, as set out in the table below:–

<i>Fixed Assets</i>	<i>Useful Life for Depreciation</i>	<i>Residual Value</i>
Land	Not Applicable	Not Applicable
Buildings	(a) Permanent Buildings- 40 years	\$1
	(b) Other buildings- Term of lease including extension	\$1

or renewal period

Buses and coaches, other than light duty coaches	(a)	New ¹ buses and coaches:– 14 years unless otherwise approved by the Commissioner	\$10,000 for each bus or coach
	(b)	Second-hand buses and coaches:– 14 years from the date of manufacture unless otherwise approved by the Commissioner	\$10,000 for each bus or coach
Light duty coaches	6 years		\$100 for each light duty coach
Other motor vehicles	6 years		\$100 for each motor vehicle
Computers	5 years		Nil
Plant, machinery and equipment (other than computers), furniture, fixtures and fittings	7 years		Nil

- (2) When calculating the depreciation expenses of the Grantee's Fixed Assets, the cost of acquisition of the Fixed Assets shall be net of any subsidies received or receivable by the Grantee from the Government solely for the purpose of the acquisition of such Fixed Assets.
- (3) The cost of acquisition of Fixed Assets acquired through a finance lease with an option to purchase will be depreciated on a straight-line basis over their useful life in accordance with sub-clause (1) above. In the case of Fixed Assets acquired through a finance lease without an option to purchase, their cost of acquisition will be depreciated on a straight-line basis over the shorter of the lease term and their useful life as set out in sub-clause (1) above. For the purpose of this clause, "cost of acquisition" means the price at which the Fixed Assets in question could be purchased in a transaction at arm's length between persons that are not Related Parties.

¹ Means buses which have been acquired by the Grantee first hand

- (4) When any Fixed Assets or part thereof are sold or otherwise disposed of or when compensation is received from insurers in respect of damage to or loss of any Fixed Assets or any part of the Fixed Assets, the difference between the proceeds and net book value will be deducted from or added to the Service-Related Expenditure, as the case may be.
- (5) For the purpose of Clause 21(4),
 - (a) Fixed Assets shall exclude land in respect of which the Grantee has any right, title or interest.
 - (b) Where the Fixed Assets comprise of buildings which are sold or disposed of together with the land on which they stand, and it is impossible to ascertain which portion of the sale proceeds is attributable to such buildings alone, the Grantee shall provide a valuation report prepared by an independent surveyor on the Fair Market Value of such buildings as of the date of disposal. Such Fair Market Value will be deemed to be the sale proceeds of the buildings for the purpose of Clause 21(4).
- (6) Depreciation of any Fixed Assets shall cease to be effected when the residual values as stipulated at Clause 21(1) have been reached.
- (7) No amortisation or depreciation shall be effected in respect of any land comprised in the Fixed Assets. Such land shall be valued at cost of acquisition.
- (8) Whether a building is to be regarded as a permanent building for the purpose of this Clause shall be determined by the Commissioner after having regard, inter alia, to the estimated useful life of that building, the unexpired period of the lease including any extension or renewal period, and land use zoning. If the Grantee disagrees with any determination of the Commissioner on what is or is not a permanent building for the purpose of this Clause, the Grantee and the Commissioner shall forward the point in disagreement to the Secretary for Transport and Housing who shall decide on the point having regard to the submissions of the Grantee and the Commissioner and such decision of the Secretary for Transport and Housing shall, subject to section 33 of the Ordinance, be final.
- (9) The cost of any structural addition to a permanent or other building comprised in the Fixed Assets shall, from the date the addition is made, be depreciated in accordance with Clause 21(1) along with such permanent or other building (as the case may be) over the remainder of the useful life of that permanent or other building.

- (10) The net book value of all Fixed Assets brought forward from any public bus franchise applicable to the Grantee immediately before the Commencement Date shall be depreciated in accordance with but over the remainder of the applicable useful life as stipulated in Clause 21(1).

22. (1) The Grantee represents that its Undertaking at the Commencement Date shall be as listed in Schedule I. Subject to Clause 22(3) and (4) and except for that part of the Undertaking listed in Schedule I which is held on short term tenancies, the Grantee shall maintain at all times during the franchise period its Undertaking sufficient to operate a proper and efficient public bus service on the specified routes in accordance with section 12(1) of the Ordinance.
- (2) The Grantee shall provide in writing to the Commissioner an annual update of Schedule I within 5 months after the close of an accounting year.
- (3) The Grantee shall not without the previous written consent of the Commissioner assign, transfer, mortgage, charge, lease, grant option to lease, part with possession or otherwise dispose of the whole or any part of its Undertaking falling within the following description:–
- (a) land, buildings and buses, or
 - (b) any other part of the Undertaking (except for plant, machinery, equipment, furniture, fixtures, fittings, motor vehicles (other than buses), stores or spares being disposed of with a view to replacement in the ordinary course of business) the disposal of which would result in an increase in the cost of the Bus Service

Grantee's
Undertaking and
restrictions on
disposal

nor shall the Grantee without the previous written consent of the Commissioner cause or permit the forfeiture, surrender, loss, destruction or dissipation of its right, title or interest in the whole or any part of its Undertaking referred to in paragraphs (a) and (b) above. The Grantee shall observe and perform all the terms, conditions, covenants and provisions contained in any deed, agreement and other instrument under which the Grantee acquired the right, title or interest in the whole or any part of its Undertaking.

PROVIDED that:–

- (i) consent to any disposition of landed property may be withheld if the consequence of the disposition would be to increase the cost to the Grantee of acquiring, using, holding or maintaining the premises referred to in section 19 of the

Ordinance; and

(ii) consent required under this Clause shall not be unreasonably withheld or delayed.

(4) Without prejudice to the Ordinance and other provisions of this franchise, the Grantee shall not develop or cause or permit the development of any land or buildings forming part of its Undertaking or enter into any agreement to do so without the previous written consent of the Financial Secretary (which, subject to Clause 22 (5), shall not be unreasonably withheld or delayed).

(5) Notwithstanding any other provisions herein, consent to any disposition or development of any land or building under Clause 22(3) and (4) may be withheld by the Commissioner or the Financial Secretary if the consequence of the disposition or development of such land or buildings would be to increase the cost to the Grantee of acquiring, using, holding or maintaining premises referred to in section 19 of the Ordinance.

23.	The Grantee shall not without the previous consent in writing of the Commissioner invest in or dispose of any securities, such consent shall not be unreasonably withheld or delayed.	Investment in securities
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24.	(1) (a) The Grantee shall, at such times as the Commissioner may direct in writing, cause the Funds to be examined by an Appointed Actuary for the purpose of assessing possible under-provisioning or over-provisioning of the Funds.	Contingency Fund and Pension Fund
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(b) The Grantee shall provide such information and give access to such of its business and financial records as the Appointed Actuary may reasonably require.

(c) Any finding by the Appointed Actuary as to any under-provisioning or over-provisioning of the Funds shall be accepted as final and conclusive by the Grantee in the absence of manifest error.

(d) The Grantee shall, subject to the prior approval in writing of the Commissioner, write back such amount which is certified in an actuarial report prepared by the Appointed Actuary for the purpose of Clause 24(1)(a) to be over-provided in the Funds to the profit and loss account kept by the Grantee in respect of the Bus Service.

(2) The Grantee shall provide such information as the Commissioner may require in writing in respect of the Funds and their use within one month from the date of such request in writing by the Commissioner or within such other period as the Commissioner

may reasonably require.

- (3) (a) The balance of the Contingency Fund shall represent liabilities in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee.
- (b) Notwithstanding the expiry of this franchise and any other terms or provisions herein, the balance of the Contingency Fund shall remain a liability in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee and the balance of the Contingency Fund as at the expiry of this franchise, howsoever determined, shall be deposited with an authorised institution, other than a deposit-taking company, within the meaning of the Banking Ordinance (Cap. 155) as approved or directed from time to time by the Commissioner.
- (c) The Commissioner may within six months prior to the expiry of this franchise or within three months thereafter appoint a trustee or a custodian to hold the Contingency Fund after the said expiry of this franchise and may require the title to the Contingency Fund to be vested in the said trustee or custodian for a period of ten years from the date of expiry of this franchise ("the ten-year period"). In such event, the said trustee or custodian shall:—
- (i) hold the Contingency Fund in accordance with the terms and conditions as may be determined or approved by the Commissioner;
 - (ii) apply the balance of the Contingency Fund to meet third party claims against the Grantee in accordance with the terms and conditions as may be determined or approved by the Commissioner; and
 - (iii) distribute the remaining balance in the Contingency Fund (if any) at the expiry of the ten-year period to the shareholders of the Grantee whose names appear on the register of shareholders of the Grantee on the date when the Contingency Fund is vested in the said trustee or custodian.
- (d) For the avoidance of doubt, this Clause, in so far as it relates to the Contingency Fund, shall survive the expiry of this franchise until the date falling ten years thereafter.
- (4) The Grantee shall procure in such manner as it may be advised by the Appointed Actuary that the Pension Fund is held by an independent trustee under a retirement scheme registered under the

Occupational Retirement Schemes Ordinance (Cap. 426) and, where applicable, the Mandatory Provident Fund Schemes Ordinance (Cap. 485).

25. (1) By virtue of section 13 of the Ordinance, the Chief Executive in Council may review the scale of fares to be charged for the Bus Service and may determine and adjust such scale of fares upward or downward at any time and from time to time during the Franchise Period as he deems fit. Revenue and expenditure
- (2) Without derogation from the provisions of section 13 of the Ordinance and the powers conferred on the Chief Executive in Council thereunder, in making recommendations to the Chief Executive in Council for him to determine the scale of bus fares under the provisions of section 13 of the Ordinance, the Commissioner may have regard, inter alia, to:–
- (a) changes in Gross Revenue and Service-Related Expenditure since the last fare adjustment;
 - (b) forecasts of future Gross Revenue, Service-Related Expenditure, and return on average net fixed assets which takes into account net profit or loss and borrowing costs after tax attributable to the Bus Service;
 - (c) the need to provide the Grantee with a reasonable rate of return;
 - (d) public acceptability and affordability;
 - (e) the quality and level of the public bus service provided by the Grantee; and
 - (f) changes in price of cost elements and improvement in productivity of the franchised bus industry.
- (3) In applying for an upward or downward adjustment to the fares applicable to its Bus Service, the Grantee shall take into account, inter alia, the factors specified in Clause 25(2)(a) to (f).

PART IV

MISCELLANEOUS

26. (1) When acquiring new buses and setting specifications for such acquisition, the Grantee shall, as far as reasonably practicable:– Environmentally friendly buses
- (a) adopt the latest commercially available and proven technologies to reduce noise emissions; and

- (b) acquire the most environmentally friendly buses in terms of vehicle exhaust emission (with the ultimate objective of acquiring zero emission buses), that are technologically proven and commercially available

taking into account feasibility in terms of operational and passenger service requirements and affordability for the Grantee and passengers.

- (2) The Grantee shall adopt, at such time and in such manner, such commercially available and proven technologies and products on its buses as the Commissioner may reasonably specify after consultation with the Grantee for the purpose of reducing exhaust and noise emissions in the operation of the Bus Service.

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| 27. | <ul style="list-style-type: none"> (1) The Grantee shall comply with all the provisions, stipulations and requirements set out in a Forward Planning Programme for the time being in force. (2) If the Grantee fails to comply with any of the provisions, stipulations and requirements contained in a Forward Planning Programme, the Grantee shall, within such time as may be specified by the Commissioner, submit a report to the Commissioner with full details and the reasons for such failure. | Forward
Planning
Programme |
| 28. | <ul style="list-style-type: none"> (1) The Grantee shall provide in writing to the Commissioner, at such times and in such form as he may require, copies and computer printouts or diskettes in such format as the Commissioner may specify of the records kept by the Grantee and information relating to the Bus Service, including without limitation:– <ul style="list-style-type: none"> (a) the number of passengers carried daily on each specified route and the daily receipts therefrom; (b) the frequency at and the period on every day during which public bus service is operated by the Grantee on each specified route; (c) the number and carrying capacity of buses in use on each specified route on each day and the number of buses and other vehicles and their technical specifications, used, kept or ordered by the Grantee for the purposes of or in connection with this franchise; (d) the number of journeys and the total kilometres travelled by each bus daily on each specified route; (e) the number of additional journeys operated on each specified route on each day; | Operational
records and
information to
be supplied to
Commissioner |

- (f) the number of drivers allocated to each specified route on each day;
 - (g) the total number of drivers on reserve (for relief of duty drivers) on each day;
 - (h) the working hours of drivers on each day;
 - (i) the number of journeys and total kilometres lost each day in relation to each specified route due to traffic congestion, accidents, breakdowns and vehicle and staff shortages, respectively;
 - (j) the maintenance schedule of the buses and other vehicles and inventory of stores;
 - (k) the number of passengers boarding and alighting at bus stops daily and at peak-hours on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct at least once in each year surveys on a weekday, other than a public holiday or a day on which the storm signal Number 8 (or higher) or a black rainstorm warning is hoisted;
 - (l) the journey time for journeys between terminal points on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct surveys at such time and in such manner as the Commissioner may specify; and
 - (m) the operation or future operation of the Bus Service.
- (2) The Grantee shall without delay provide in writing to the Commissioner such information as he may from time to time reasonably require for the purpose of assessing the financial position of the Grantee, including without limitation:–
- Financial information to be supplied to the Commissioner
- (a) accounting system manual and costing system manual used by the Grantee for the preparation of accounts for the Bus Service; and
 - (b) procurement policies, procurement procedures and practice manual of goods and services relating to the Bus Service including but not limited to fuel, buses, spare parts, tyres and tubes, plant and machinery, repair and maintenance and cleaning services.
- (3) The Grantee shall provide in writing to the Commissioner with financial information for the purpose of assessing the financial

position of the Grantee, including without limitation:–

- (a) annual audited financial statements prepared and certified by a Qualified Auditor within 4 months after the close of each accounting year;
 - (b) monthly management accounts (including profit and loss account, balance sheet and cashflow statement) within 2 months from the ending date of the period concerned or such longer period as the Commissioner may specify; and
 - (c) monthly report on the fuel price, fuel cost, fuel consumption, hedging contracts on fuel, in such form and manner as the Commissioner may specify, within 2 months from the ending date of the period concerned.
- (4) (a) Subject to the provisions of the Ordinance, this franchise and the accounting policies approved by the Commissioner under Clause 28(4)(b), the Grantee shall prepare and keep its accounts related to the Bus Service in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (b) The Grantee shall, not later than 3 months before the end of each accounting year, submit for the approval of the Commissioner the accounting policies governing the accounts of the Grantee which are related to the Bus Service in the form and manner as the Commissioner may specify. Such approval shall not be unreasonably withheld or delayed. The Grantee shall comply with such accounting policies as approved by the Commissioner for keeping and preparing its accounts relating to the Bus Service. The Grantee shall not make any change to the accounting policies approved by the Commissioner hereunder without the prior written approval of the Commissioner. Such accounting policies are subject to the provisions of the Ordinance and this franchise, and unless agreed otherwise between the Grantee and the Commissioner, shall be in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (5) Without prejudice to the generality of Clause 28(4), the Commissioner may give direction as to the criteria for apportionment of the Grantee's general administration costs between the Bus Service and the Grantee's other businesses.
- (6) The Grantee shall ensure that contracts that are material to the Bus Service shall be put out for tendering as far as practicable. Where it is not practicable for tendering, the relevant transactions shall be submitted to the Grantee's board of directors for approval. The

Grantee is also required to specify in any internal paper on procurement of services or goods or both whether or not the tenderers/suppliers and the Grantee are Related Parties.

- (7) Subject to any conditions which the Commissioner may impose for the purposes of Clause 22, the Grantee shall obtain approval from the Grantee's board of directors before awarding any contract that is material to the Bus Service to a Related Party of the Grantee save and except where such award is effected as a result of an open tendering process participated by any third party which is not a Related Party. In seeking the board of directors' approval to award a contract to a Related Party of the Grantee without going through an open tendering process, the Grantee shall, in so far as practicable, provide relevant information to its board to:–

- (a) explain and justify why an open tendering process cannot be conducted; and
- (b) confirm with supporting evidence that the terms and conditions of the proposed contract are not less favourable to the Grantee than those in a contract which might otherwise be entered into with a third party which is not a Related Party of the Grantee.

- (8) The Grantee shall procure and provide to the Commissioner financial information on all transactions which are related to the Bus Service made between the Grantee and any Related Party of the Grantee on an annual basis within 5 months after the close of each accounting year or as the Commissioner may from time to time require.

- (9) The Grantee shall without delay provide and maintain at a location as directed by the Commissioner, two computer terminals (or any other similar device) acceptable to the Commissioner, linked to the Grantee's main computer system enabling the Commissioner and other public officers to retrieve and obtain directly the information specified in Clause 28(1)(a) to (l) with or without printout.

- (10) The Grantee shall ensure that the information specified in Clause 28(1)(a) to (l) is entered into the Grantee's main computer system in such manner as permits retrieval in accordance with Clause 28(9), without delay and in any event not later than, in the case of the information specified in Clause 28(1)(a), (b), (c), (d), (e), (i) and (j), 7 days from the relevant operating day or within such longer period as the Commissioner may direct in writing.

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| 29. | (1) The Grantee shall keep separate accounts for the Bus Service and its other businesses. The accounts of the Grantee which are related to the Bus Service shall be audited annually by a Qualified Auditor | Publication of accounts and operational |
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	and published for the information of the public, in such form and manner as the Commissioner may from time to time require, within 5 months after the close of each accounting year.	information
	(2) The Grantee shall publish for the information of the public such records kept by the Grantee which are related to the Bus Service, in such form and manner as the Commissioner may from time to time require after consultation with the Grantee within 5 months after the close of each accounting year.	
30.	Without prejudice to any other provisions of this franchise, all financial statements, management accounts and other accounts of the Grantee, whether or not such financial statements, management accounts or other accounts are related to or connected with the Bus Service:–	Content and Form of Account
	(a) shall give a true and fair view of the state of the Grantee's affairs and explain its transactions;	
	(b) shall be kept at the principal place of business of the Grantee in Hong Kong and shall at all times be open to inspection by the Grantee's directors; and	
	(c) shall consist of the Grantee's balance sheet and profit and loss account, which, save with the prior consent in writing of the Commissioner, comply with the requirements of the Tenth Schedule of the Companies Ordinance (Cap. 32) (other than Part III thereof) and Clause 28(3).	
31.	(1) Any notice in writing or other document to be given to the Grantee by the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner under or in relation to this franchise may be given under the hand of any duly authorised officer of Government and may be served by sending the same in a letter addressed to the principal place of business of the Grantee in Hong Kong.	Notices
	(2) Any notice in writing or other documents to be given to the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner by the Grantee under or in relation to this franchise may be served by sending the same in a letter to the Commissioner.	
32.	This franchise shall be governed by, and construed in accordance with, Hong Kong law and the Grantee shall submit to the exclusive jurisdiction of the Hong Kong Courts.	Governing law and jurisdiction
33.	All meetings of the board of directors of the Grantee shall be held in Hong Kong unless all the directors of the Grantee unanimously agree to have a meeting elsewhere.	Board meetings in Hong Kong

34. (1) Without derogation from any provisions of the Ordinance, this franchise will be subject to review at any time and from time to time by the Commissioner during the Franchise Period starting from and including 1 July 2017. For this purpose, the Grantee shall comply without delay with all reasonable requests by the Commissioner and afford such assistance and co-operation in all respects to facilitate the conduct of the review as the Commissioner may reasonably require.
- (2) Without prejudice to the generality of Clause 34(1) and any other provisions of this franchise, the Grantee shall, for the purpose of this Clause:–
- (a) upon request by the Commissioner, provide without delay to the Commissioner such information as may be reasonably required; and
- (b) appoint a person with such qualification or experience as the Commissioner may from time to time require to examine such aspects of the Bus Service as he may reasonably direct.
- (3) During the period of such review, the Commissioner may consult with and receive written submissions or recommendations from such persons as he sees fit.
35. The Grantee shall publish its code on corporate social responsibility within 6 months from the Commencement Date and, annually thereafter:–
- (a) publish the achievement of individual items contained therein; and
- (b) review and update its content for the purpose of continuous improvement.
36. The Grantee shall, throughout the Franchise Period, submit to the Commissioner annually a report prepared by a Qualified Auditor or a Certification Body certifying that the Grantee has put in place internal control systems and procedures which are adequate to enable, as far as practicable, the Grantee to measure and record, in all material respects, its operation statistics and other information to ensure that such statistics and other information which may be required by the Commissioner under the Ordinance or this franchise are accurate in all material respects and if the Qualified Auditor or Certification Body forms the view that those control systems and procedures are not adequate, the nature and extent of such inadequacies.

Mid-term review

Corporate social responsibility

System audit

Dated this day of 2012

COUNCIL CHAMBER

Clerk to the Executive Council

Schedule I
Clause 22(1)
Grantee's Undertaking
(as at 1 July 2013)

1. *Buses*

(A) Requirement

	<i>Operating Requirement</i>	<i>Number of Buses Required in Fleet</i>
(i) For operating the routes under the franchise	650	
(ii) Total requirement for the routes based on 92% availability		707

(B) The requirement of buses in paragraph 1(A) above will be represented by –

<i>Bus Fleet</i>	<i>Number</i>	<i>Average Age (Yr.)</i>	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
(i) Double-Deck— air-conditioned	671	11.8	339,000	Wholly owned
(ii) Single-Deck— air-conditioned	36	14.6	642	Wholly owned
Total fleet	707	11.9	339,642	

2. *Land and Buildings*

	<i>Approx. Site Area (m²)</i>	<i>Nature of Interest</i>
(A) Depot		
Wong Chuk Hang Bus Depot (AIL401)	3,002	Short term tenancy commencing on 1 September 1998 up to 31 August 1999 and thereafter quarterly.
Chong Fu Road Depot	13,000	Short term tenancy commencing on 9 February 2000 up to 31 July 2003 and there thereafter quarterly.
(B) Bus Servicing/Parking Area		
Kennedy Town Sai Ning Street/Victoria Road	1,900	Short term tenancy commencing on 1 September 1998 up to 30 August 1999 and thereafter quarterly.
Tseung Kwan O Area 85	5,650	Short term tenancy commencing on 1 November 2000 up to 31 March 2003 and thereafter quarterly. [Note]
Tseung Kwan O Area 26 Wang Lung Road	2,200	Short term tenancy commencing on 1 February 2012 up to 31 July 2013 and thereafter quarterly.
Hing Wah Street West, Kowloon	8,200	Short term tenancy commencing on 24 February 2005 up to 23 June 2008 and thereafter quarterly.

Note: If the Government shall terminate this tenancy, the Grantee's obligation under Clause 22(1) to maintain its Undertaking shall be satisfied by requesting and, if offered, accepting from the Government a tenancy of a comparable site or sites at comparable rates per square metre.

3. *Plant and Machinery*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
Plant and machinery <i>including</i> :	2,772	Wholly owned
(A) Bus washing machines;		
(B) Brake testers		
(C) Forklift trucks;		
(D) Mobile vehicle lifts; and		
(E) Others		

4. *Other Fixed Assets*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
(A) Other vehicles	1,076	Wholly owned
(B) Computers	1,507	Wholly owned
(C) Fare boxes	32	Wholly owned
(D) Furniture and fittings	625	Wholly owned
(E) Contactless smart card system	7	Wholly owned
(F) Passenger facilities including kiosks and shelters	295	Wholly owned

5. *Others*

	<i>Estimated Value (HK\$'000)</i>	<i>Nature of Interest</i>
Stores and spares	28,000	Wholly owned

Long Win Bus Company Limited

附件 B

Public Bus Services Ordinance (Chapter 230)

FRANCHISE

In exercise of the powers conferred by section 5 of the Public Bus Services Ordinance, the Chief Executive in Council hereby grants to Long Win Bus Company Limited, a company registered under the Companies Ordinance, whose registered office is situated at 9 Po Lun Street, Lai Chi Kok, Kowloon, Hong Kong the right to operate a public bus service on the routes specified in the appropriate Schedule of Routes order from time to time in force in respect of the said company under section 5(1), and in any notices under sections 14 and 15, of the Public Bus Services Ordinance, subject to the conditions hereinafter contained namely:—

PART I

PRELIMINARY

1. (1) In this franchise, unless the context otherwise requires:— Interpretation

“the Airport”

means an airport for civil aviation in the vicinity of Chek Lap Kok;

“the Airport Authority”

means the Airport Authority within the meaning of the Airport Authority Ordinance (Cap. 483);

“Airport Terminal Building”

means the passenger terminal building of the Airport;

“Bus Service”

means the Grantee’s business of operating a public bus service under this franchise;

“Certification Body”

means a certification body accredited under the Hong Kong Certification Body Accreditation Scheme by the Hong Kong Accreditation Service, Innovation and Technology Commission;

“Clause”

means a clause of this franchise;

“Commencement Date”

means 04:00 Hours 1 May 2013;

“Customer Service Centre”

means the customer service centre established pursuant to

Clause 16;

“Facilities”

means each of the following and includes parts thereof:–
bus stop signs, bus stop sign posts, canopies, shelters, seats, queue railings, lighting at bus stops, terminal points and termini; information panels and equipment; customer service centres; bus regulators’ offices and kiosks; air-conditioned passenger waiting areas; television broadcasting and all other audio-visual equipment; and such other facilities that are used by the Grantee for the purpose of or in connection with the Bus Service, and in the event of any dispute as to the meaning of any of the aforesaid, shall be determined by the Commissioner after consultation with the Grantee;

“Forward Planning Programme”

means a programme which is in force from time to time under section 12A of the Ordinance;

“Franchise Period”

means the period referred to in Clause 4;

“Grantee”

means Long Win Bus Company Limited;

“Hong Kong”

means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Ordinance”

means the Public Bus Services Ordinance (Cap. 230);

“Other Grantee”

means any other company which is a grantee of a public bus franchise under the Ordinance;

“Passenger Liaison Groups”

means the passenger liaison groups established pursuant to Clause 15(1);

“Qualified Auditor”

means a person who:–

- (a) is qualified for appointment as an auditor of a company under the Professional Accountants Ordinance (Cap. 50); and
- (b) is not disqualified under section 140(2) of the Companies Ordinance (Cap. 32);

“Related Party” or “Related Parties”

means a party or parties that is/are considered to be related for the purposes of the Hong Kong Accounting Standard

(HKAS) No. 24 (Revised) “Related Party Disclosures” issued by the Hong Kong Institute of Certified Public Accountants in November 2009 as the same may be amended from time to time.

- (2) Any expression or word not specifically herein defined shall have the meaning assigned to it by the Ordinance and, if not defined therein, by the Interpretation and General Clauses Ordinance (Cap. 1) and/or the Hong Kong Reunification Ordinance (Cap. 2601).
- (3) For the avoidance of doubt, unless there is express provision to the contrary, the Grantee shall at no cost to Government comply with any direction and requirement given under this franchise by the Commissioner, the Financial Secretary or any other public officer.
- (4) For the avoidance of doubt:–
 - (a) where this franchise confers upon any public officer power to do or enforce the doing of any act or thing, all such powers shall be also conferred as are reasonably necessary to enable the public officer to do or enforce the doing of the act or thing.
 - (b) without prejudice to the generality of paragraph (a) above, where this franchise confers power upon any public officer:–
 - (i) to grant approval, consent or exemption, such power shall include power to impose reasonable conditions subject to which such approval, consent or exemption may be granted;
 - (ii) to approve any person or thing, such power shall include power to withdraw approval thereof; and
 - (iii) to give directions, such power shall include power to couch the same in the form of prohibitions.

- 2. (1) This franchise is granted subject to the Grantee complying with the terms and conditions on its part to be performed in any franchise applicable to the Grantee under the Ordinance and in force in the period ending 04:00 Hours 1 May 2013 and with the provisions of the Ordinance.
- (2) The Ordinance shall apply to this franchise in full and for all purposes. Nothing in this franchise is intended or shall be construed to affect, restrict, limit or diminish in any way, any of the powers (including discretion or privilege) of the Government, the Commissioner or any other public officer under the Laws of Hong Kong.

Franchise subject to performance of obligations, etc.

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| 3. | The Grantee shall have the non-exclusive right to operate a public bus service on the routes which are specified in the Schedule of Routes order for the time being in force. | Routes Order |
| 4. | This franchise is granted for the period from and including the Commencement Date until 04:00 Hours 1 May 2023 and such period may be extended under section 6(2) or (3) of the Ordinance. | Franchise Period |
| 5. | For the purposes of section 8 of the Ordinance, a majority of the directors of the Grantee shall be ordinarily resident in Hong Kong irrespective of their nationality. | Residential requirement |

PART II

GENERAL

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| 6. | The Grantee shall, if requested by the Financial Secretary, take such steps as are necessary and reasonable to have and to continue to have its shares listed on the Stock Exchange Company as defined in section 1 of Schedule I to the Securities and Futures Ordinance (Cap.571). | Grantee's shares to be listed on the Stock Exchange Company |
| 7. | <p>(1) The Grantee shall, as far as practicable, acquire, provide, adopt, maintain, or modify to the satisfaction of the Commissioner such safety or service enhancement facilities, installation, fixtures, fittings, apparatus or equipment on its buses as may be reasonably required by the Commissioner after consultation with the Grantee.</p> <p>(2) Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such Facilities as may be reasonably required by the Commissioner after consultation with the Grantee.</p> | Provision of the Facilities etc. |
| 8. | Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such canteens, washrooms and toilets for its employees and the employees of any Other Grantee as the Commissioner considers appropriate after consultation with the Grantee. | Provision of canteens, washrooms and toilets |
| 9. | <p>(1) The Commissioner may, after consultation with the Grantee, direct in writing that for a specified period with effect from a specified date the Grantee shall share or permit the sharing of the use of any or all of the bus stops, terminal points, termini, Facilities (other than those provided on-bus), canteens, washrooms and toilets acquired, provided or adopted by the Grantee or any Other Grantee whether under this or any other franchise, as the case may be.</p> <p>(2) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the</p> | Shared use of bus stops etc. |

Grantee shall cease using, vacate or remove any bus stops, terminal points, termini and Facilities which are or have been used by the Grantee under this or any other franchise and which are not required for use by the Grantee for the Bus Service.

(3) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the Grantee shall:–

- (a) make available and transfer the Grantee's whole right, title and interest in the Facilities (other than those provided on-bus) acquired, provided or adopted by the Grantee under this or any other franchise to any Other Grantee; and
- (b) accept the transfer of and assume responsibility for any facilities (other than those provided on-bus) which are used by any Other Grantee and which are to be transferred to the Grantee by virtue of a direction given by the Commissioner to any Other Grantee under the provisions of any other franchise with similar effect to Clause 9(3)(a).

(4) In the event that the Commissioner makes a direction:–

- (a) under Clause 9(1), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to maintenance responsibilities and the fair and equitable apportionment on the expenses of maintaining the Facilities (other than those provided on-bus), canteens, washrooms and toilets between the Grantee and the Other Grantee; and
- (b) under Clause 9(3)(a) or (b), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to a fair and equitable price for acquiring or providing the facilities or Facilities (other than those provided on-bus).

(5) In the event that the Grantee and the concerned Other Grantee fail to reach agreement under Clause 9(4)(a) or (b) within a reasonable time to be specified by the Commissioner, the Grantee and the concerned Other Grantee shall enter into an agreement on what the Commissioner may determine to be a fair and equitable apportionment or price for the purpose of Clause 9(4) (a) and (b).

10. (1) No Facilities, installation, fixtures, fittings, apparatus or equipment shall be constructed, erected, installed or permitted at, on or in any bus stops, terminal points, termini or buses without the prior approval in writing of the Commissioner. The Commissioner may require the Grantee to remove any Facilities, installation, fixtures, fittings, apparatus or equipment which are constructed, erected, installed or permitted in contravention of
- Approval of Commissioner required in connection with the Facilities, canteens, washrooms and

	this Clause.	toilets
	(2) No canteens, washrooms or toilets referred to in Clause 8 shall be constructed, erected or installed nor shall any structural alteration or change in use be made thereto without the prior approval in writing of the Commissioner.	
11.	<p>(1) The Grantee shall not for the purposes of advertising, sponsorship or commercial promotion use or permit the use of, the Facilities, canteens, washrooms and toilets of the Grantee or any Other Grantee without the prior approval in writing of the Commissioner (such approval shall not be unreasonably withheld).</p> <p>(2) Any agreement or arrangement in respect of any advertising, sponsorship or commercial promotion entered into by the Grantee with the prior approval in writing of the Commissioner under Clause 11(1) above shall be and be made subject to the terms and conditions of this franchise.</p>	Advertising, etc.
12.	The Commissioner may by notice in writing direct the Grantee to use such terminal points or termini and facilities which will be made available by Government at no cost to the Grantee for the purposes of parking and turn-around of buses used by the Grantee on any of the specified routes.	Government to provide parking facilities at terminal points
13.	<p>(1) Subject to Clause 13(3), the Grantee shall, at such place as the Commissioner may direct in writing, make available free of charge for inspection by members of the public a copy of the Schedule of Routes order for the time being in force and any notice given under section 15 of the Ordinance.</p> <p>(2) Subject to Clause 13(3), the Grantee shall cause to be displayed free of charge for viewing by members of the public in a conspicuous place:—</p> <p>(a) at each terminal point or terminus of a specified route;</p> <p>(b) at the Customer Service Centre at the Airport Terminal Building or at any other appropriate location at the Airport; and</p> <p>(c) at such bus stops as may be specified by the Commissioner</p> <p>information on the location of the bus stops and the fares and timetables applicable to the bus service on such specified routes.</p> <p>(3) The Grantee shall provide the information mentioned in Clause 13(1) and 13(2) above in such form and manner, by such means and at such times as may be reasonably required by the Commissioner, after consultation with the Grantee.</p>	Display of routes and fares

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| 14. | <p>(1) The Grantee shall make available to the public, in relation to the bus service on each specified route, the following information:—</p> <ul style="list-style-type: none"> (a) the bus fares; (b) the route and timetable; (c) the location of bus stops, journey time and any other related information, as may be reasonably required by the Commissioner after consultation with the Grantee <p>in such form and manner, by such means and at such times as may be specified from time to time by the Commissioner.</p> | <p>Making available information on specified route, etc.</p> |
| 15. | <p>(1) The Grantee shall, to the satisfaction of the Commissioner, make appropriate arrangements including the establishment of Passenger Liaison Groups to liaise, communicate with and receive opinions of the public for the purpose of assessing and improving standards of the Bus Service.</p> <p>(2) The Grantee shall, to the satisfaction of the Commissioner, provide the Passenger Liaison Groups with reasonable facilities for meetings including venues, postage and stationery, as they may require from time to time.</p> <p>(3) The Grantee shall promulgate such rules for membership and meetings of the Passenger Liaison Groups, rules for attendance by officers of the Transport Department as observers, terms of reference of the Passenger Liaison Groups and, without limitation, such other terms relating to the Passenger Liaison Groups, their members or constitution as the Commissioner may direct or approve in writing. Any officer of the Transport Department may attend the meetings of the Passenger Liaison Groups as an observer.</p> <p>(4) The Grantee shall use its reasonable endeavours to facilitate meetings of each of the Passenger Liaison Groups at least once every two months or as and when the Commissioner may reasonably require for the purpose of making proposals for maintaining or improving standards relating to the Bus Service.</p> <p>(5) The Grantee shall report to the Commissioner, at least once</p> | <p>Passenger Liaison Groups</p> |

every two months or as and when directed by the Commissioner, the details of passenger liaison arrangements made by the Grantee, the proposals made by the Passenger Liaison Groups and implementation of those proposals.

- (6) The Grantee shall waive and forego all rights to sue each member or observer of the Passenger Liaison Groups in respect of any statement defamatory of the Grantee made by him during a meeting of a Passenger Liaison Group or in any communication published only to the members of a Passenger Liaison Group or to any officer of the Transport Department attending any such meeting as an observer in respect of the Bus Service unless such statement is made maliciously.

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| 16. | The Grantee shall provide and maintain at its own cost and expense and to the satisfaction of the Commissioner a customer service centre at the Airport Terminal Building or at any other appropriate location at the Airport for the purposes of providing airport bus passengers with:– | Customer service centre |
| | <ul style="list-style-type: none"> (a) ticketing and luggage handling service; (b) information and enquiry service; and (c) any other services that may be necessary to assist passengers in utilising the public bus service at the Airport. | |
| 17. | The Grantee shall to the satisfaction of the Commissioner make appropriate arrangements to conduct passenger satisfaction surveys in such form and manner, by such means and at such times as may be reasonably required by the Commissioner after consultation with the Grantee. | Passenger satisfaction survey |
| 18. | <ul style="list-style-type: none"> (1) The Grantee shall furnish the Commissioner, on or before 15 January each year in such form as the Commissioner may specify from time to time, with information on:– <ul style="list-style-type: none"> (a) premises provided and maintained by the Grantee under section 19 of the Ordinance as at 31 December of the preceding year; and (b) facilities provided by the Grantee and their locations as at 31 December of the preceding year for the construction, repair and maintenance of the buses and other vehicles used or kept by the Grantee for the purposes of or in connection with this franchise. (2) The Commissioner may, after consultation with the Grantee, from time to time direct by notice in writing to the Grantee the manner in which the Grantee is to use any of the specified premises provided and maintained by the Grantee under section 19 of the Ordinance. | List of premises and maintenance facilities |

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| 19. | <p>The Grantee shall, as and when directed by and to the satisfaction of the Commissioner:—</p> <ul style="list-style-type: none"> (a) provide and maintain for the purpose of regulating, controlling and directing bus movements a control centre which shall be:— <ul style="list-style-type: none"> (i) situated at the Airport Terminal Building or such location as the Commissioner may direct; and (ii) manned at all times by competent personnel of the Grantee; (b) provide and maintain at all times direct communication links between the control centre and <ul style="list-style-type: none"> (i) the emergency contact point of the Transport Department designated by the Commissioner; and (ii) the Ground Transportation Centre – Control Centre of the Airport Authority; (c) design a contingency plan to meet any exigency that may arise in respect of the Bus Service and shall promptly carry out the measures contained in the contingency plan when such exigency arises; and (d) provide assistance, including sending competent personnel to attend the emergency control centre of the Transport Department. | <p>Provision of control centre and contingency arrangement</p> |
| 20. | <ul style="list-style-type: none"> (1) The Grantee may provide, or permit the provision of, ancillary or add-on services subject to prior approval in writing of the Commissioner. (2) The Grantee shall provide such ancillary or add-on services as may be reasonably required by the Commissioner for the purpose of the Bus Service after consultation with the Grantee. | <p>Provision of ancillary and add-on services</p> |

PART III

FINANCIAL

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| 21. | <p>In this Part, unless the context otherwise requires:—</p> <p>“Appointed Actuary”
means an actuary who</p> <ul style="list-style-type: none"> (a) has the qualifications as prescribed for the appointment of actuaries under the Insurance Companies (Actuaries’ Qualifications) Regulations (sub. leg., Cap. 41); and (b) is in practice with a firm providing actuarial consultancy | <p>Definitions in Part III</p> |
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services in Hong Kong;

“Contingency Fund”

means all contingency funds provided or to be provided by the Grantee for meeting its liabilities including without limitation those for third party risks in respect of the Bus Service but excluding any contingency funds for any loss of revenue due to any cause whatsoever;

“Fair Market Value” of any of the Fixed Assets

means the market price at which the assets could be acquired in a transaction at arm’s length between persons that are not Related Parties;

“Fixed Assets”

means:–

- (a) land, buildings, furniture, fixtures and fittings, buses, coaches and other motor vehicles, plant, machinery and equipment;
- (b) other fixed assets;
- (c) all assets mentioned in (a) and (b) which are in the course of construction or in transit; and
- (d) payments on account of all assets mentioned in (a), (b) and (c)

in which the Grantee has any right, title or interest (including assets acquired through finance leases) and which are used or to be used or kept or to be kept by the Grantee for the purposes of or in connection with the Bus Service;

but excludes stores and spares including but not limited to items which have not been used but may form part of any buses, coaches or other motor vehicles, plant, machinery and equipment which are used or to be used or kept or to be kept by the Grantee for the purpose of or in connection with the Bus Service, irrespective of the amount of the unit cost of each item;

“Funds”

means both the Contingency Fund and the Pension Fund unless the Commissioner determines otherwise;

“Gross Revenue”

means the total income or revenue of the Grantee derived or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) revenue of the Grantee from fares directly or indirectly appertaining to the Bus Service;

- (b) income derived or realised directly or indirectly from Fixed Assets including but not limited to rents, advertising and private hire;
- (c) interest on cash and bank balances of the Grantee consisting of or representing funds derived or arising from the Bus Service;
- (d) income derived or realized directly or indirectly from any investment or commercial transactions, other than from Fixed Assets, made by the Grantee of funds derived or arising from the Bus Service;
- (e) income or revenue derived by the Grantee from any transaction, operation, business or activity connected with or otherwise related or ancillary, whether directly or indirectly to the Bus Service; and
- (f) currency gains realized by the Grantee in or in connection with:–
 - (i) the acquisition of Fixed Assets, stores and spares;
 - (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
 - (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
 - (iv) other transactions which are directly related to the Bus Service,

but excludes capital gains or capital receipts of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;

“Pension Fund”

means the fund or funds provided or to be provided by the Grantee for the payment of employees’ pensions or other retirement benefits in respect of employees engaged directly or indirectly in the operation of the Bus Service;

“Service-Related Expenditure”

means the total expenditure of the Grantee incurred or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) operating costs directly or indirectly incurred by the Grantee appertaining to the operation of the Bus Service and contributions to the Funds required in accordance with

the assessment made by the Appointed Actuary;

- (b) depreciation as charged in accordance with Clause 22;
- (c) expenditure in establishing and maintaining public liaison and arranging for passenger satisfaction surveys in accordance with Clause 15, 16 and 17; and
- (d) currency losses suffered by the Grantee in or in connection with:–
 - (i) the acquisition of Fixed Assets, stores and spares;
 - (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
 - (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
 - (iv) other transactions which are directly related to the Bus Service,

but excludes:–

- (A) capital losses of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;
- (B) capital expenditure incurred in or arising from or connected with the Bus Service (other than that provided in sub-paragraph (d)(i) above);
- (C) any amount of over-provisioning in the accounts of the Grantee; and
- (D) any amount of amortisation or depreciation effected (if any) in respect of any right, title or interest in land;

“Undertaking”
means:–

- (a) all the assets listed in Schedule I as the same is updated or revised in accordance with Clause 23(2); and
- (b) all Fixed Assets and stores and spares which have been acquired by the Grantee to be included in Schedule I but before the same have been included pursuant to Clause 23(2).

22. For the purpose of this franchise, the following practice shall be observed in the accounts of the Grantee:– Depreciation of Fixed Assets

- (1) With effect from the Commencement Date, depreciation expenses of the Grantee's Fixed Assets shall be calculated at their costs of acquisition and by applying, on a straight-line basis, annual rates of depreciation derived from the useful lives, and subject to the residual values, as set out in the table below:-

<i>Fixed Assets</i>	<i>Useful Life for Depreciation</i>	<i>Residual Value</i>
Land	Not Applicable	Not Applicable
Buildings	(a) Permanent Buildings - 40 years	\$1
	(b) Other buildings- Term of lease including extension or renewal period	\$1
Buses and coaches, other than light duty coaches	(a) New ¹ buses and coaches:- 14 years unless otherwise approved by the Commissioner	\$100 for each bus or coach
	(b) Second-hand buses and coaches:- 14 years from the date of manufacture unless otherwise approved by the Commissioner	\$100 for each bus or coach
Light duty coaches	6 years	\$100 for each light duty coach
Other motor vehicles	6 years	Nil
Computers	5 years	Nil
Plant, machinery and equipment (other than computers), furniture, fixtures and fittings	7 years	Nil

- (2) When calculating the depreciation expenses of the Grantee's Fixed Assets, the cost of acquisition of the Fixed Assets shall be net of any subsidies received or receivable by the Grantee from

¹ Means buses which have been acquired by the Grantee first hand

the Government solely for the purpose of the acquisition of such Fixed Assets.

- (3) The cost of acquisition of Fixed Assets acquired through a finance lease with an option to purchase will be depreciated on a straight-line basis over their useful life in accordance with sub-clause (1) above. In the case of Fixed Assets acquired through a finance lease without an option to purchase, their cost of acquisition will be depreciated on a straight-line basis over the shorter of the lease term and their useful life as set out in sub-clause (1) above. For the purpose of this clause, “cost of acquisition” means the price at which the Fixed Assets in question could be purchased in a transaction at arm’s length between persons that are not Related Parties.
- (4) When any Fixed Assets or part thereof are sold or otherwise disposed of or when compensation is received from insurers in respect of damage to or loss of any Fixed Assets, or any part of the Fixed Assets, the difference between the proceeds and net book value will be deducted from or added to the Service-Related Expenditure, as the case may be.
- (5) For the purpose of Clause 22(4),
 - (a) Fixed Assets shall exclude land in respect of which the Grantee has any right, title or interest.
 - (b) Where the Fixed Assets comprise of buildings which are sold or disposed of together with the land on which they stand, and it is impossible to ascertain which portion of the sale proceeds is attributable to such buildings alone, the Grantee shall provide a valuation report prepared by an independent surveyor on the Fair Market Value of such buildings as of the date of disposal. Such Fair Market Value will be deemed to be the sale proceeds of the buildings for the purpose of Clause 22(4).
- (6) Depreciation of any Fixed Assets shall cease to be effected when the residual values as stipulated at Clause 22(1) have been reached.
- (7) No amortisation or depreciation shall be effected in respect of any land comprised in the Fixed Assets. Such land shall be valued at cost of acquisition.
- (8) Whether a building is to be regarded as a permanent building for the purpose of this Clause shall be determined by the Commissioner after having regard, inter alia, to the estimated useful life of that building, the unexpired period of the lease including any extension or renewal period, and land use zoning. If the Grantee disagrees with any determination of the Commissioner on what is or is not a permanent building for the

purpose of this Clause, the Grantee and the Commissioner shall forward the point in disagreement to the Secretary for Transport and Housing who shall decide on the point having regard to the submissions of the Grantee and the Commissioner and such decision of the Secretary for Transport and Housing shall, subject to section 33 of the Ordinance, be final.

- (9) The cost of any structural addition to a permanent or other building comprised in the Fixed Assets shall, from the date the addition is made, be depreciated in accordance with Clause 22(1) along with such permanent or other building (as the case may be) over the remainder of the useful life of that permanent or other building.
- (10) The net book value of all Fixed Assets brought forward from any public bus franchise applicable to the Grantee immediately before the Commencement Date shall be depreciated in accordance with but over the remainder of the applicable useful life as stipulated in Clause 22(1).

23. (1) The Grantee represents that its Undertaking at the Commencement Date shall be as listed in Schedule I. Subject to Clause 23(3) and (4) and except for that part of the Undertaking listed in Schedule I which is held on short term tenancies, the Grantee shall maintain at all times during the franchise period its Undertaking sufficient to operate a proper and efficient public bus service on the specified routes in accordance with section 12(1) of the Ordinance.
- (2) The Grantee shall provide in writing to the Commissioner an annual update of Schedule I within 5 months after the close of an accounting year.
- (3) The Grantee shall not without the previous written consent of the Commissioner assign, transfer, mortgage, charge, lease, grant option to lease, part with possession or otherwise dispose of the whole or any part of its Undertaking falling within the following description:—
 - (a) land, buildings and buses, or
 - (b) any other part of the Undertaking (except for plant, machinery, equipment, furniture, fixtures, fittings, motor vehicles (other than buses), stores or spares being disposed of with a view to replacement in the ordinary course of business), the disposal of which would result in an increase in the cost of the Bus Service

Grantee's
Undertaking and
restrictions on
disposal

nor shall the Grantee without the previous written consent of the Commissioner cause or permit the forfeiture, surrender, loss, destruction or dissipation of its right, title or interest in the whole or any part of its Undertaking referred to in paragraphs

(a) and (b) above. The Grantee shall observe and perform all the terms, conditions, covenants and provisions contained in any deed, agreement and other instrument under which the Grantee acquired the right, title or interest in the whole or any part of its Undertaking.

PROVIDED that:—

- (i) consent to any disposition of landed property may be withheld if the consequence of the disposition would be to increase the cost to the Grantee of acquiring, using, holding or maintaining the premises referred to in section 19 of the Ordinance; and
 - (ii) consent required under this Clause shall not be unreasonably withheld or delayed.
- (4) Without prejudice to the Ordinance and other provisions of this franchise, the Grantee shall not develop or cause or permit the development of any land or buildings forming part of its Undertaking or enter into any agreement to do so without the previous written consent of the Financial Secretary (which, subject to Clause 23(5), shall not be unreasonably withheld or delayed).
- (5) Notwithstanding any other provisions herein, consent to any disposition or development of any land or building under Clause 23(3) and (4) may be withheld by the Commissioner or the Financial Secretary if the consequence of the disposition or development of such land or buildings would be to increase the cost to the Grantee of acquiring, using, holding or maintaining premises referred to in section 19 of the Ordinance.

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| 24. | The Grantee shall not without the previous consent in writing of the Commissioner invest in or dispose of any securities, such consent shall not be unreasonably withheld or delayed. | Investment in securities |
| 25. | <ul style="list-style-type: none">(1) (a) The Grantee shall, at such times as the Commissioner may direct in writing, cause the Funds to be examined by an Appointed Actuary for the purpose of assessing possible under-provisioning or over-provisioning of the Funds.(b) The Grantee shall provide such information and give access to such of its business and financial records as the Appointed Actuary may reasonably require.(c) Any finding by the Appointed Actuary as to any under-provisioning or over-provisioning of the Funds shall be accepted as final and conclusive by the Grantee in the absence of manifest error.(d) The Grantee shall, subject to the prior approval in writing | Contingency Fund and Pension Fund |

of the Commissioner, write back such amount which is certified in an actuarial report prepared by the Appointed Actuary for the purpose of Clause 25(1)(a) to be over-provided in the Funds to the profit and loss account kept by the Grantee in respect of the Bus Service.

- (2) The Grantee shall provide such information as the Commissioner may require in writing in respect of the Funds and their use within one month from the date of such request in writing by the Commissioner or within such other period as the Commissioner may reasonably require.
- (3)
 - (a) The balance of the Contingency Fund shall represent liabilities in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee.
 - (b) Notwithstanding the expiry of this franchise and any other terms or provisions herein, the balance of the Contingency Fund shall remain a liability in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee and the balance of the Contingency Fund as at the expiry of this franchise, howsoever determined, shall be deposited with an authorised institution, other than a deposit-taking company, within the meaning of the Banking Ordinance (Cap. 155) as approved or directed from time to time by the Commissioner.
 - (c) The Commissioner may within six months prior to the expiry of this franchise or within three months thereafter appoint a trustee or a custodian to hold the Contingency Fund after the said expiry of this franchise and may require the title to the Contingency Fund to be vested in the said trustee or custodian for a period of ten years from the date of expiry of this franchise (“the ten-year period”). In such event, the said trustee or custodian shall:–
 - (i) hold the Contingency Fund in accordance with the terms and conditions as may be determined or approved by the Commissioner;
 - (ii) apply the balance of the Contingency Fund to meet third party claims against the Grantee in accordance with the terms and conditions as may be determined or approved by the Commissioner; and
 - (iii) distribute the remaining balance in the Contingency Fund (if any) at the expiry of the ten-year period to the shareholders of the Grantee whose names appear on the register of shareholders of the Grantee on the date when the Contingency Fund is vested in the said

trustee or custodian.

- (d) For the avoidance of doubt, this Clause, in so far as it relates to the Contingency Fund, shall survive the expiry of this franchise until the date falling ten years thereafter.

- (4) The Grantee shall procure in such manner as it may be advised by the Appointed Actuary that the Pension Fund is held by an independent trustee under a retirement scheme registered under the Occupational Retirement Schemes Ordinance (Cap. 426) and, where applicable, the Mandatory Provident Fund Schemes Ordinance (Cap. 485).

26. (1) By virtue of section 13 of the Ordinance, the Chief Executive in Council may review the scale of fares to be charged for the Bus Service and may determine and adjust such scale of fares upward or downward at any time and from time to time during the Franchise Period as he deems fit. Revenue and expenditure
- (2) Without derogation from the provisions of section 13 of the Ordinance and the powers conferred on the Chief Executive in Council thereunder, in making recommendations to the Chief Executive in Council for him to determine the scale of bus fares under the provisions of section 13 of the Ordinance, the Commissioner may have regard, inter alia, to:–
- (a) changes in Gross Revenue and Service-Related Expenditure since the last fare adjustment;
 - (b) forecasts of future Gross Revenue, Service-Related Expenditure, and return on average net fixed assets which takes into account net profits or loss and borrowing costs after tax attributable to the Bus Service;
 - (c) the need to provide the Grantee with a reasonable rate of return;
 - (d) public acceptability and affordability;
 - (e) the quality and level of the public bus service provided by the Grantee; and
 - (f) changes in price of cost elements and improvement in productivity of the franchised bus industry.
- (3) In applying for an upward or downward adjustment to the fares applicable to its Bus Service, the Grantee shall take into account, inter alia, the factors specified in Clause 26(2)(a) to (f).

PART IV

MISCELLANEOUS

27. (1) When acquiring new buses and setting specifications for such acquisition, the Grantee shall, as far as reasonably practicable:– Environmentally friendly buses
- (a) adopt the latest commercially available and proven technologies to reduce noise emissions; and
 - (b) acquire the most environmentally friendly buses in terms of vehicle exhaust emission (with the ultimate objective of acquiring zero emission buses), that are technologically proven and commercially available
- taking into account feasibility in terms of operational and passenger service requirements and affordability for the Grantee and passengers.
- (2) The Grantee shall adopt, at such time and in such manner, such commercially available and proven technologies and products on its buses as the Commissioner may reasonably specify after consultation with the Grantee for the purpose of reducing exhaust and noise emissions in the operation of the Bus Service.
28. (1) The Grantee shall comply with all the provisions, stipulations and requirements set out in a Forward Planning Programme for the time being in force. Forward Planning Programme
- (2) If the Grantee fails to comply with any of the provisions, stipulations and requirements contained in a Forward Planning Programme, the Grantee shall, within such time as may be specified by the Commissioner, submit a report to the Commissioner with full details and the reasons for such failure.
29. (1) The Grantee shall provide in writing to the Commissioner, at such times and in such form as he may require, copies and computer printouts or diskettes in such format as the Commissioner may specify of the records kept by the Grantee and information relating to the Bus Service, including without limitation:– Operational records and information to be supplied to Commissioner
- (a) the number of passengers carried daily on each specified route and the daily receipts therefrom;
 - (b) the frequency at and the period on every day during which public bus service is operated by the Grantee on each specified route;
 - (c) the number and carrying capacity of buses in use on each specified route on each day and the number of buses and other vehicles and their technical specifications, used, kept

or ordered by the Grantee for the purposes of or in connection with this franchise;

- (d) the number of journeys and the total kilometres travelled by each bus daily on each specified route;
 - (e) the number of additional journeys operated on each specified route on each day;
 - (f) the number of drivers allocated to each specified route on each day;
 - (g) the total number of drivers on reserve (for relief of duty drivers) on each day;
 - (h) the working hours of drivers on each day;
 - (i) the number of journeys and total kilometres lost each day in relation to each specified route due to traffic congestion, accidents, breakdowns and vehicle and staff shortages, respectively;
 - (j) the maintenance schedule of the buses and other vehicles and inventory of stores;
 - (k) the number of passengers boarding and alighting at bus stops daily and at peak-hours on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct at least once in each year surveys on a weekday, other than a public holiday or a day on which the storm signal Number 8 (or higher) or a black rainstorm warning is hoisted;
 - (l) the journey time for journeys between terminal points on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct surveys at such time and in such manner as the Commissioner may specify; and
 - (m) the operation or future operation of the Bus Service.
- (2) The Grantee shall without delay provide in writing to the Commissioner such information as he may from time to time reasonably require for the purpose of assessing the financial position of the Grantee, including without limitation:—
- Financial information to be supplied to the Commissioner
- (a) accounting system manual and costing system manual used by the Grantee for the preparation of accounts for the Bus Service; and
 - (b) procurement policies, procurement procedures and practice manual of goods and services relating to the Bus Service

including but not limited to fuel, buses, spare parts, tyres and tubes, plant and machinery, repair and maintenance and cleaning services.

- (3) The Grantee shall provide in writing to the Commissioner with financial information for the purpose of assessing the financial position of the Grantee, including without limitation:—
- (a) annual audited financial statements prepared and certified by a Qualified Auditor within 4 months after the close of each accounting year;
 - (b) monthly management accounts (including profit and loss account, balance sheet and cashflow statement) within 2 months from the ending date of the period concerned or such longer period as the Commissioner may specify; and
 - (c) monthly report on the fuel price, fuel cost, fuel consumption, hedging contracts on fuel, in such form and manner as the Commissioner may specify, within 2 months from the ending date of the period concerned.
- (4) (a) Subject to the provisions of the Ordinance, this franchise and the accounting policies approved by the Commissioner under Clause 29(4)(b), the Grantee shall prepare and keep its accounts related to the Bus Service in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (b) The Grantee shall, not later than 3 months before the end of each accounting year, submit for the approval of the Commissioner the accounting policies governing the accounts of the Grantee which are related to the Bus Service in the form and manner as the Commissioner may specify. Such approval shall not be unreasonably withheld or delayed. The Grantee shall comply with such accounting policies as approved by the Commissioner for keeping and preparing its accounts relating to the Bus Service. The Grantee shall not make any change to the accounting policies approved by the Commissioner hereunder without the prior written approval of the Commissioner. Such accounting policies are subject to the provisions of the Ordinance and this franchise, and unless agreed otherwise between the Grantee and the Commissioner, shall be in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (5) Without prejudice to the generality of Clause 29(4), the Commissioner may give direction as to the criteria for apportionment of the Grantee's general administration costs between the Bus Service and the Grantee's other businesses.

- (6) The Grantee shall ensure that contracts that are material to the Bus Service shall be put out for tendering as far as practicable. Where it is not practicable for tendering, the relevant transactions shall be submitted to the Grantee's board of directors for approval. The Grantee is also required to specify in any internal paper on procurement of services or goods or both whether or not the tenderers/suppliers and the Grantee are Related Parties.
- (7) Subject to any conditions which the Commissioner may impose for the purposes of Clause 23, the Grantee shall obtain approval from the Grantee's board of directors before awarding any contract that is material to the Bus Service to a Related Party of the Grantee save and except where such award is effected as a result of an open tendering process participated by any third party which is not a Related Party. In seeking the board of directors' approval to award a contract to a Related Party of the Grantee without going through an open tendering process, the Grantee shall, in so far as practicable, provide relevant information to its board to:—
- (a) explain and justify why an open tendering process cannot be conducted; and
 - (b) confirm with supporting evidence that the terms and conditions of the proposed contract are not less favourable to the Grantee than those in a contract which might otherwise be entered into with a third party which is not a Related Party of the Grantee.
- (8) The Grantee shall procure and provide to the Commissioner financial information on all transactions which are related to the Bus Service made between the Grantee and any Related Party of the Grantee on an annual basis within 5 months after the close of an accounting year or as the Commissioner may from time to time require.
- (9) The Grantee shall without delay provide and maintain at a location as directed by the Commissioner, two computer terminals (or any other similar device) acceptable to the Commissioner, linked to the Grantee's main computer system enabling the Commissioner and other public officers to retrieve and obtain directly the information specified in Clause 29(1)(a) to (l) with or without printout.
- (10) The Grantee shall ensure that the information specified in Clause 29(1)(a) to (l) is entered into the Grantee's main computer system in such manner as permits retrieval in accordance with Clause 29(9), without delay and in any event not later than, in the case of the information specified in Clause 29(1)(a), (b), (c), (d), (e), (i) and (j), 7 days from the relevant

operating day or within such longer period as the Commissioner may direct in writing.

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| 30. | <p>(1) The Grantee shall keep separate accounts for the Bus Service and its other businesses. The accounts of the Grantee which are related to the Bus Service shall be audited annually by a Qualified Auditor and published for the information of the public, in such form and manner as the Commissioner may from time to time require, within 5 months after the close of each accounting year.</p> <p>(2) The Grantee shall publish for the information of the public such records kept by the Grantee which are related to the Bus Service, in such form and manner as the Commissioner may from time to time require after consultation with the Grantee within 5 months after the close of each accounting year.</p> | Publication of accounts and operational information |
| 31. | <p>(1) Any notice in writing or other document to be given to the Grantee by the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner under or in relation to this franchise may be given under the hand of any duly authorised officer of Government and may be served by sending the same in a letter addressed to the registered office of the Grantee.</p> <p>(2) Any notice in writing or other documents to be given to the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner by the Grantee under or in relation to this franchise may be served by sending the same in a letter to the Commissioner.</p> | Notices |
| 32. | All meetings of the board of directors of the Grantee shall be held in Hong Kong unless all the directors of the Grantee unanimously agree to have a meeting elsewhere. | Board meetings in Hong Kong |
| 33. | <p>(1) Without derogation from any provisions of the Ordinance, this franchise will be subject to review at any time and from time to time by the Commissioner during the Franchise Period starting from and including 1 May 2017. For this purpose, the Grantee shall comply without delay with all reasonable requests by the Commissioner and afford such assistance and co-operation in all respects to facilitate the conduct of the review as the Commissioner may reasonably require.</p> <p>(2) Without prejudice to the generality of Clause 33(1) and any other provisions of this franchise, the Grantee shall, for the purpose of this Clause:—</p> <p style="padding-left: 40px;">(a) upon request by the Commissioner, provide without delay to the Commissioner such information as may be reasonably required; and</p> | Mid-term review |

- (b) appoint a person with such qualification or experience as the Commissioner may from time to time require to examine such aspects of the Bus Service as he may reasonably direct.
 - (3) During the period of such review, the Commissioner may consult with and receive written submissions or recommendations from such persons as he sees fit.
34. The Grantee shall publish its code on corporate social responsibility within 6 months from the Commencement Date and, annually thereafter:–
- Corporate social responsibility
- (a) publish the achievement of individual items contained therein; and
 - (b) review and update its content for the purpose of continuous improvement.
35. The Grantee shall, throughout the Franchise Period, submit to the Commissioner annually a report prepared by a Qualified Auditor or a Certification Body certifying that the Grantee has put in place internal control systems and procedures which are adequate to enable, as far as practicable, the Grantee to measure and record, in all material respects, its operation statistics and other information to ensure that such statistics and other information which may be required by the Commissioner under the Ordinance or this franchise are accurate in all material respects and if the Qualified Auditor or Certification Body forms the view that those control systems and procedures are not adequate, the nature and extent of such inadequacies.
- System audit

Dated this day of 2012

COUNCIL CHAMBER

Clerk to the Executive Council

SCHEDULE I
Clause 23(1)
Grantee's Undertaking

(As at 1 May 2013)

1. *Buses*

(A) Requirement

	<i>Operating Requirement</i>	<i>Number of Buses Required in Fleet</i>
(i) For operating the routes under the franchise	152	
(ii) Total requirement for the routes based on 90% availability		169

(B) The requirement of buses in paragraph 1(A) above will be represented by –

<i>Bus Fleet</i>	<i>Number</i>	<i>Average Age (Yr.)</i>	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
Double-Deck— air-conditioned	169	9.0	182,800	Wholly owned

2. *Land and Buildings*

	<i>Approximate Site Area (m²)</i>	<i>Nature of Interest</i>
Bus depot at Siu Ho Wan, North Lantau	7,500	Short term tenancy commencing on 26 April 1997 up to 31 May 2003 and thereafter quarterly.

3. *Plant and Machinery*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
Plant and machinery <i>including</i> :	445	Wholly owned
(A) Bus washing machines;		
(B) Brake testers;		
(C) Forklift trucks;		
(D) Mobile vehicle lifts; and		
(E) Others		

4. *Other Fixed Assets*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
(A) Other vehicles	736	Wholly owned
(B) Computers	119	Wholly owned
(C) Fare boxes	0	Wholly owned
(D) Furniture and fittings	274	Wholly owned
(E) Contactless smart card system	0	Wholly owned
(F) Passenger facilities including kiosks and shelters	288	Wholly owned
(G) Major motor vehicle components	8,400	Wholly owned

5. *Others*

	<i>Estimated Value (HK\$'000)</i>	<i>Nature of Interest</i>
Stores and spares	600	Wholly owned

Citybus Limited

Public Bus Services Ordinance (Chapter 230)

FRANCHISE

In exercise of the powers conferred by section 5 of the Public Bus Services Ordinance, the Chief Executive in Council hereby grants to Citybus Limited, a company registered under the Companies Ordinance, whose registered office is situated at No.8 Chong Fu Road, Chai Wan, Hong Kong, the right to operate a public bus service on the routes specified in the appropriate Schedule of Routes order from time to time in force in respect of the said company under section 5(1), and in any notices under sections 14 and 15, of the Public Bus Services Ordinance, subject to the conditions hereinafter contained namely:—

PART I

PRELIMINARY

1. (1) In this franchise, unless the context otherwise requires:— Interpretation

“the Airport”

means an airport for civil aviation in the vicinity of Chek Lap Kok;

“the Airport Authority”

means the Airport Authority within the meaning of the Airport Authority Ordinance (Cap. 483);

“Airport Terminal Building”

means the passenger terminal building of the Airport;

“Bus Service”

means the Grantee’s business of operating a public bus service under this franchise;

“Certification Body”

means a certification body accredited under the Hong Kong Certification Body Accreditation Scheme by the Hong Kong Accreditation Service, Innovation and Technology Commission;

“Clause”

means a clause of this franchise;

“Customer Service Centre”

means the customer service centre established pursuant to Clause 16;

“Commencement Date”

means 04:00 Hours 1 May 2013;

“Facilities”

means each of the following and includes parts thereof:–

bus stop signs, bus stop sign posts, canopies, shelters, seats, queue railings, lighting at bus stops, terminal points and termini; information panels and equipment; customer service centres; bus regulators’ offices and kiosks; air-conditioned passenger waiting areas; television broadcasting and all other audio-visual equipment; and such other facilities that are used by the Grantee for the purpose of or in connection with the Bus Service, and in the event of any dispute as to the meaning of any of the aforesaid, shall be determined by the Commissioner after consultation with the Grantee;

“Forward Planning Programme”

means a programme which is in force from time to time under section 12A of the Ordinance;

“Franchise Period”

means the period referred to in Clause 4;

“Grantee”

means Citybus Limited;

“Hong Kong”

means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Ordinance”

means the Public Bus Services Ordinance (Cap. 230);

“Other Grantee”

means any other company which is a grantee of a public bus franchise under the Ordinance;

“Passenger Liaison Groups”

means the passenger liaison groups established pursuant to Clause 15(1);

“Qualified Auditor”

means a person who:–

- (a) is qualified for appointment as an auditor of a company under the Professional Accountants Ordinance (Cap. 50); and
- (b) is not disqualified under section 140(2) of the Companies Ordinance (Cap. 32);

“Related Party” or “Related Parties”

means a party or parties that is/are considered to be related for the purposes of the Hong Kong Accounting Standard (HKAS) No. 24 (Revised) “Related Party Disclosures” issued by the Hong Kong Institute of Certified Public Accountants in November 2009 as the same may be amended from time to time.

- (2) Any expression or word not specifically herein defined shall have the meaning assigned to it by the Ordinance and, if not defined therein, by the Interpretation and General Clauses Ordinance (Cap. 1) and/or the Hong Kong Reunification Ordinance (Cap. 2601).
 - (3) For the avoidance of doubt, unless there is express provision to the contrary, the Grantee shall at no cost to Government comply with any direction and requirement given under this franchise by the Commissioner, the Financial Secretary or any other public officer.
 - (4) For the avoidance of doubt:–
 - (a) where this franchise confers upon any public officer power to do or enforce the doing of any act or thing, all such powers shall be also conferred as are reasonably necessary to enable the public officer to do or enforce the doing of the act or thing.
 - (b) without prejudice to the generality of paragraph (a) above, where this franchise confers power upon any public officer:–
 - (i) to grant approval, consent or exemption, such power shall include power to impose reasonable conditions subject to which such approval, consent or exemption may be granted;
 - (ii) to approve any person or thing, such power shall include power to withdraw approval thereof; and
 - (iii) to give directions, such power shall include power to couch the same in the form of prohibitions.
2. (1) This franchise is granted subject to the Grantee complying with the terms and conditions on its part to be performed in any franchise applicable to the Grantee under the Ordinance and in force in the period ending 04:00 Hours 1 May 2013 and with the provisions of the Ordinance. Franchise subject to performance of obligations, etc.
- (2) The Ordinance shall apply to this franchise in full and for all purposes. Nothing in this franchise is intended or shall be construed to affect, restrict, limit or diminish in any way any of the powers (including discretion or privilege) of the Government, the Commissioner or any other public officer under the Laws of Hong Kong.

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| 3. | The Grantee shall have the non-exclusive right to operate a public bus service on the routes which are specified in the Schedule of Routes order for the time being in force. | Routes Order |
| 4. | This franchise is granted for the period from and including the Commencement Date until 04:00 Hours 1 May 2023 and such period may be extended under section 6(2) or (3) of the Ordinance. | Franchise Period |
| 5. | For the purposes of section 8 of the Ordinance, a majority of the directors of the Grantee shall be ordinarily resident in Hong Kong irrespective of their nationality. | Residential requirement |

PART II

GENERAL

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| 6. | The Grantee shall, if requested by the Financial Secretary, take such steps as are necessary and reasonable to have and to continue to have its shares listed on the Stock Exchange Company as defined in section 1 of Schedule I to the Securities and Futures Ordinance (Cap. 571). | Grantee's shares to be listed on the Stock Exchange Company |
| 7. | <p>(1) The Grantee shall, as far as practicable, acquire, provide, adopt, maintain, or modify to the satisfaction of the Commissioner such safety or service enhancement facilities, installation, fixtures, fittings, apparatus or equipment on its buses as may be reasonably required by the Commissioner after consultation with the Grantee.</p> <p>(2) Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such Facilities as may be reasonably required by the Commissioner after consultation with the Grantee.</p> | Provision of the Facilities etc. |
| 8. | Subject to Clauses 9 and 10, the Grantee shall acquire, provide, adopt, maintain, modify or remove to the satisfaction of the Commissioner such canteens, washrooms and toilets for its employees and the employees of any Other Grantee as the Commissioner considers appropriate after consultation with the Grantee. | Provision of canteens, washrooms and toilets |
| 9. | <p>(1) The Commissioner may, after consultation with the Grantee, direct in writing that for a specified period with effect from a specified date the Grantee shall share or permit the sharing of the use of any or all of the bus stops, terminal points, termini, Facilities (other than those provided on-bus), canteens, washrooms and toilets acquired, provided or adopted by the Grantee or any Other Grantee whether under this or any other franchise, as the case may be.</p> <p>(2) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the Grantee shall</p> | Shared use of bus stops etc. |

cease using, vacate or remove any bus stops, terminal points, termini and Facilities which are or have been used by the Grantee under this or any other franchise and which are not required for use by the Grantee for the Bus Service.

- (3) The Commissioner may, after consultation with the Grantee, direct in writing that with effect from a specified date the Grantee shall:–
 - (a) make available and transfer the Grantee's whole right, title and interest in the Facilities (other than those provided on-bus) acquired, provided or adopted by the Grantee under this or any other franchise to any Other Grantee; and
 - (b) accept the transfer of and assume responsibility for any facilities (other than those provided on-bus) which are used by any Other Grantee and which are to be transferred to the Grantee by virtue of a direction given by the Commissioner to any Other Grantee under the provisions of any other franchise with similar effect to Clause 9(3)(a).
 - (4) In the event that the Commissioner makes a direction:–
 - (a) under Clause 9(1), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to maintenance responsibilities and the fair and equitable apportionment on the expenses of maintaining the Facilities (other than those provided on-bus), canteens, washrooms and toilets between the Grantee and the Other Grantee; and
 - (b) under Clause 9(3)(a) or (b), the Grantee shall negotiate in good faith with the concerned Other Grantee to reach agreement as to a fair and equitable price for acquiring or providing the facilities or Facilities (other than those provided on-bus).
 - (5) In the event that the Grantee and the concerned Other Grantee fail to reach agreement under Clause 9(4)(a) or (b) within a reasonable time to be specified by the Commissioner, the Grantee and the concerned Other Grantee shall enter into an agreement on what the Commissioner may determine to be a fair and equitable apportionment or price for the purpose of Clause 9(4)(a) and (b).
10. (1) No Facilities, installation, fixtures, fittings, apparatus or equipment shall be constructed, erected, installed or permitted at, on or in any bus stops, terminal points, termini or buses without the prior approval in writing of the Commissioner. The Commissioner may require the Grantee to remove any Facilities, installation, fixtures, fittings, apparatus or equipment which are constructed, erected, installed or permitted in contravention of this Clause.
- (2) No canteens, washrooms or toilets referred to in Clause 8 shall be
- Approval of Commissioner required in connection with the Facilities, canteens, washrooms and toilets

constructed, erected or installed nor shall any structural alteration or change in use be made thereto without the prior approval in writing of the Commissioner.

11. (1) The Grantee shall not for the purposes of advertising, sponsorship or commercial promotion use or permit the use of, the Facilities, canteens, washrooms and toilets of the Grantee or any Other Grantee without the prior approval in writing of the Commissioner (such approval shall not be unreasonably withheld). Advertising, etc.
- (2) Any agreement or arrangement in respect of any advertising, sponsorship or commercial promotion entered into by the Grantee with the prior approval in writing of the Commissioner under Clause 11(1) above shall be and be made subject to the terms and conditions of this franchise.
12. The Commissioner may by notice in writing direct the Grantee to use such terminal points or termini and facilities which will be made available by Government at no cost to the Grantee for the purposes of parking and turn-around of buses used by the Grantee on any of the specified routes. Government to provide parking facilities at terminal points
13. (1) Subject to Clause 13(3), the Grantee shall, at such place as the Commissioner may direct in writing, make available free of charge for inspection by members of the public a copy of the Schedule of Routes order for the time being in force and any notice given under section 15 of the Ordinance. Display of routes and fares
- (2) Subject to Clause 13(3), the Grantee shall cause to be displayed free of charge for viewing by members of the public in a conspicuous place:–
 - (a) at each terminal point or terminus of a specified route;
 - (b) at the Customer Service Centre at the Airport Terminal Building or at any other appropriate location at the Airport; and
 - (c) at such bus stops as may be specified by the Commissioner

information on the location of the bus stops and the fares and timetables applicable to the bus service on such specified routes.
- (3) The Grantee shall provide the information mentioned in Clause 13(1) and 13(2) above in such form and manner, by such means and at such times as may be reasonably required by the Commissioner, after consultation with the Grantee.
14. (1) The Grantee shall make available to the public, in relation to the bus service on each specified route, the following information:– Making available information on specified route,

- (a) the bus fares; etc.
- (b) the route and timetable;
- (c) the location of bus stops, journey time and any other related information, as may be reasonably required by the Commissioner after consultation with the Grantee

in such form and manner, by such means and at such times as may be specified from time to time by the Commissioner.

- (2) The Grantee shall make available to the public the information referred to in Clause 14(1)(a) to (c) above for free or for a fee not exceeding that determined by the Commissioner.
 - (3) The Grantee shall also make available to the public, the information referred to in Clause 14(1)(a) to (c) above on the Grantee's website, and through readily accessible common web browsers as may be reasonably required by the Commissioner after consultation with the Grantee.
15. (1) The Grantee shall, to the satisfaction of the Commissioner, make appropriate arrangements including the establishment of Passenger Liaison Groups to liaise, communicate with and receive opinions of the public for the purpose of assessing and improving standards of the Bus Service. Passenger Liaison Groups
- (2) The Grantee shall, to the satisfaction of the Commissioner, provide the Passenger Liaison Groups with reasonable facilities for meetings including venues, postage and stationery, as they may require from time to time.
 - (3) The Grantee shall promulgate such rules for membership and meetings of the Passenger Liaison Groups, rules for attendance by officers of the Transport Department as observers, terms of reference of the Passenger Liaison Groups and, without limitation, such other terms relating to the Passenger Liaison Groups, their members or constitution as the Commissioner may direct or approve in writing. Any officer of the Transport Department may attend the meetings of the Passenger Liaison Groups as an observer.
 - (4) The Grantee shall use its reasonable endeavours to facilitate meetings of each of the Passenger Liaison Groups at least once every two months or as and when the Commissioner may reasonably require for the purpose of making proposals for maintaining or improving standards relating to the Bus Service.
 - (5) The Grantee shall report to the Commissioner, at least once every two months or as and when directed by the Commissioner, the details of passenger liaison arrangements made by the Grantee, the

proposals made by the Passenger Liaison Groups and implementation of those proposals.

- (6) The Grantee shall waive and forego all rights to sue each member or observer of the Passenger Liaison Groups in respect of any statement defamatory of the Grantee made by him during a meeting of a Passenger Liaison Group or in any communication published only to the members of a Passenger Liaison Group or to any officer of the Transport Department attending any such meeting as an observer in respect of the Bus Service unless such statement is made maliciously.
16. The Grantee shall provide and maintain at its own cost and expense and to the satisfaction of the Commissioner a customer service centre at the Airport Terminal Building or at any other appropriate location at the Airport for the purposes of providing airport bus passengers with:– Customer service centre
- (a) ticketing and luggage handling service;
 - (b) information and enquiry service; and
 - (c) any other services that may be necessary to assist passengers in utilising the public bus service at the Airport.
17. The Grantee shall to the satisfaction of the Commissioner make appropriate arrangements to conduct passenger satisfaction surveys in such form and manner, by such means and at such times as may be reasonably required by the Commissioner after consultation with the Grantee. Passenger satisfaction survey
18. (1) The Grantee shall furnish the Commissioner, on or before 15 January each year in such form as the Commissioner may specify from time to time, with information on:– List of premises and maintenance facilities
- (a) premises provided and maintained by the Grantee under section 19 of the Ordinance as at 31 December of the preceding year; and
 - (b) facilities provided by the Grantee and their locations as at 31 December of the preceding year for the construction, repair and maintenance of the buses and other vehicles used or kept by the Grantee for the purposes of or in connection with this franchise.
- (2) The Commissioner may, after consultation with the Grantee, from time to time direct by notice in writing to the Grantee the manner in which the Grantee is to use any of the specified premises provided and maintained by the Grantee under section 19 of the Ordinance.
19. The Grantee shall, as and when directed by and to the satisfaction of the Provision of

- Commissioner:–
- control centre and contingency arrangement
- (a) provide and maintain for the purpose of regulating, controlling and directing bus movements a control centre which shall be:-
 - (i) situated at the Airport Terminal Building or such location as the Commissioner may direct; and
 - (ii) manned at all times by competent personnel of the Grantee;
 - (b) provide and maintain at all times direct communication links between the control centre and
 - (i) the emergency contact point of the Transport Department designated by the Commissioner; and
 - (ii) the Ground Transportation Centre – Control Centre of the Airport Authority;
 - (c) design a contingency plan to meet any exigency that may arise in respect of the Bus Service and shall promptly carry out the measures contained in the contingency plan when such exigency arises; and
 - (d) provide assistance, including sending competent personnel to attend the emergency control centre of the Transport Department.
20. (1) The Grantee may provide, or permit the provision of, ancillary or add-on services subject to prior approval in writing of the Commissioner. Provision of ancillary and add-on services
- (2) The Grantee shall provide such ancillary or add-on services as may be reasonably required by the Commissioner for the purpose of the Bus Service after consultation with the Grantee.

PART III

FINANCIAL

21. In this Part, unless the context otherwise requires:– Definitions in Part III
- “Appointed Actuary”
means an actuary who:–
- (a) has the qualifications as prescribed for the appointment of actuaries under the Insurance Companies (Actuaries’ Qualifications) Regulations (sub. leg., Cap. 41); and
 - (b) is in practice with a firm providing actuarial consultancy services in Hong Kong;

“Contingency Fund”

means all contingency funds provided or to be provided by the Grantee for meeting its liabilities including without limitation those for third party risks in respect of the Bus Service but excluding any contingency funds for any loss of revenue due to any cause whatsoever;

“Fair Market Value” of any of the Fixed Assets

means the market price at which the assets could be acquired in a transaction at arm’s length between persons that are not Related Parties;

“Fixed Assets”

means:–

- (a) land, buildings, furniture, fixtures and fittings, buses, coaches and other motor vehicles, plant, machinery and equipment;
- (b) other fixed assets;
- (c) all assets mentioned in (a) and (b) which are in the course of construction or in transit; and
- (d) payments on account of all assets mentioned in (a), (b) and (c)

in which the Grantee has any right, title or interest (including assets acquired through finance leases) and which are used or to be used or kept or to be kept by the Grantee for the purposes of or in connection with the Bus Service;

but excludes stores and spares including but not limited to items which have not been used but may form part of any buses, coaches or other motor vehicles, plant, machinery and equipment which are used or to be used or kept or to be kept by the Grantee for the purpose of or in connection with the Bus Service, irrespective of the amount of the unit cost of each item;

“Funds”

means both the Contingency Fund and the Pension Fund unless the Commissioner determines otherwise;

“Gross Revenue”

means the total income or revenue of the Grantee derived or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) revenue of the Grantee from fares directly or indirectly appertaining to the Bus Service;
- (b) income derived or realised directly or indirectly from Fixed Assets including but not limited to rents, advertising and private hire;

- (c) interest on cash and bank balances of the Grantee consisting of or representing funds derived or arising from the Bus Service;
- (d) income derived or realized directly or indirectly from any investment or commercial transactions, other than from Fixed Assets, made by the Grantee of funds derived or arising from the Bus Service;
- (e) income or revenue derived by the Grantee from any transaction, operation, business or activity connected with or otherwise related or ancillary, whether directly or indirectly to the Bus Service; and
- (f) currency gains realized by the Grantee in or in connection with:–
 - (i) the acquisition of Fixed Assets, stores and spares;
 - (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
 - (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
 - (iv) other transactions which are directly related to the Bus Service,

but excludes capital gains or capital receipts of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;

“Pension Fund”

means the fund or funds provided or to be provided by the Grantee for the payment of employees’ pensions or other retirement benefits in respect of employees engaged directly or indirectly in the operation of the Bus Service;

“Service-Related Expenditure”

means the total expenditure of the Grantee incurred or arising from or connected with the Bus Service, which, for the avoidance of doubt, includes inter alia:–

- (a) operating costs directly or indirectly incurred by the Grantee appertaining to the operation of the Bus Service and contributions to the Funds required in accordance with the assessment made by the Appointed Actuary;
- (b) depreciation as charged in accordance with Clause 22;

- (c) expenditure in establishing and maintaining public liaison and arranging for passenger satisfaction surveys in accordance with Clause 15, 16 and 17; and
- (d) currency losses suffered by the Grantee in or in connection with:–
 - (i) the acquisition of Fixed Assets, stores and spares;
 - (ii) the making and maintenance of provision for payment of emoluments for staff engaged in the Bus Service;
 - (iii) deposits in foreign currency accounts of funds derived or arising from the Bus Service; and
 - (iv) other transactions which are directly related to the Bus Service,

but excludes:–

- (A) capital losses of the Grantee derived or arising from or connected with the disposal of any right, title or interest in land;
- (B) capital expenditure incurred in or arising from or connected with the Bus Service (other than that provided in sub-paragraph (d)(i) above);
- (C) any amount of over-provisioning in the accounts of the Grantee; and
- (D) any amount of amortisation or depreciation effected (if any) in respect of any right, title or interest in land;

“Undertaking”
means:–

- (a) all the assets listed in Schedule I as the same is updated or revised in accordance with Clause 23(2); and
- (b) all Fixed Assets and stores and spares which have been acquired by the Grantee to be included in Schedule I but before the same have been included pursuant to Clause 23(2).

22. For the purpose of this franchise, the following practice shall be observed in the accounts of the Grantee:– Depreciation of Fixed Assets
- (1) With effect from the Commencement Date, depreciation expenses of the Grantee’s Fixed Assets shall be calculated at their costs of

acquisition and by applying, on a straight-line basis, annual rates of depreciation derived from the useful lives, and subject to the residual values, as set out in the table below:–

<i>Fixed Assets</i>	<i>Useful Life for Depreciation</i>	<i>Residual Value</i>
Land	Not Applicable	Not Applicable
Buildings	(a) Permanent Buildings - 40 years	\$1
	(b) Other buildings - Term of lease including extension or renewal period	\$1
Buses and coaches, other than light duty coaches	(a) New buses ¹ and coaches:– 15 years unless otherwise approved by the Commissioner	\$1 for each bus or coach
	(b) Second-hand buses and coaches:– 15 years from the date of manufacture unless otherwise approved by the Commissioner	\$1 for each bus or coach
Light duty coaches	6 years	\$1 for each light duty coach
Other motor vehicles	6 years	\$1 for each motor vehicle
Computers	5 years	\$1
Plant, machinery and equipment (other than computers), furniture, fixtures and fittings	7 years	\$1

- (2) When calculating the depreciation expenses of the Grantee's Fixed Assets, the cost of acquisition of the Fixed Assets shall be net of any subsidies received or receivable by the Grantee from the Government solely for the purpose of the acquisition of such Fixed Assets.

¹ Means buses which have been acquired by the Grantee first hand

- (3) The cost of acquisition of Fixed Assets acquired through a finance lease with an option to purchase will be depreciated on a straight-line basis over their useful life in accordance with sub-clause (1) above. In the case of Fixed Assets acquired through a finance lease without an option to purchase, their cost of acquisition will be depreciated on a straight-line basis over the shorter of the lease term and their useful life as set out in sub-clause (1) above. For the purpose of this clause, “cost of acquisition” means the price at which the Fixed Assets in question could be purchased in a transaction at arm’s length between persons that are not Related Parties.
- (4) When any Fixed Assets or part thereof are sold or otherwise disposed of or when compensation is received from insurers in respect of damage to or loss of any Fixed Assets, or any part of the Fixed Assets, the difference between the proceeds and net book value will be deducted from or added to the Service-Related Expenditure, as the case may be.
- (5) For the purpose of Clause 22(4),
- (a) Fixed Assets shall exclude land in respect of which the Grantee has any right, title or interest.
 - (b) Where the Fixed Assets comprise of buildings which are sold or disposed of together with the land on which they stand, and it is impossible to ascertain which portion of the sale proceeds is attributable to such buildings alone, the Grantee shall provide a valuation report prepared by an independent surveyor on the Fair Market Value of such buildings as of the date of disposal. Such Fair Market Value will be deemed to be the sale proceeds of the buildings for the purpose of Clause 22(4).
- (6) Depreciation of any Fixed Assets shall cease to be effected when the residual values as stipulated at Clause 22(1) have been reached.
- (7) No amortisation or depreciation shall be effected in respect of any land comprised in the Fixed Assets. Such land shall be valued at cost of acquisition.
- (8) Whether a building is to be regarded as a permanent building for the purpose of this Clause shall be determined by the Commissioner after having regard, inter alia, to the estimated useful life of that building, the unexpired period of the lease including any extension or renewal period, and land use zoning. If the Grantee disagrees with any determination of the Commissioner on what is or is not a permanent building for the purpose of this Clause, the Grantee and the Commissioner shall forward the point in disagreement to the Secretary for Transport and Housing who shall decide on the point having regard to the submissions of the Grantee and the

Commissioner and such decision of the Secretary for Transport and Housing shall, subject to section 33 of the Ordinance, be final.

- (9) The cost of any structural addition to a permanent or other building comprised in the Fixed Assets shall, from the date the addition is made, be depreciated in accordance with Clause 22(1) along with such permanent or other building (as the case may be) over the remainder of the useful life of that permanent or other building.
- (10) The net book value of all Fixed Assets brought forward from any public bus franchise applicable to the Grantee immediately before the Commencement Date shall be depreciated in accordance with but over the remainder of the applicable useful life as stipulated in Clause 22(1).
23. (1) The Grantee represents that its Undertaking at the Commencement Date shall be as listed in Schedule I. Subject to Clause 23(3) and (4) and except for that part of the Undertaking listed in Schedule I which is held on short term tenancies, the Grantee shall maintain at all times during the franchise period its Undertaking sufficient to operate a proper and efficient public bus service on the specified routes in accordance with section 12(1) of the Ordinance. Grantee's Undertaking and restrictions on disposal
- (2) The Grantee shall provide in writing to the Commissioner an annual update of Schedule I within 5 months after the close of an accounting year.
- (3) The Grantee shall not without the previous written consent of the Commissioner assign, transfer, mortgage, charge, lease, grant option to lease, part with possession or otherwise dispose of the whole or any part of its Undertaking falling within the following description:-
- (a) land, buildings and buses, or
- (b) any other part of the Undertaking (except for plant, machinery, equipment, furniture, fixtures, fittings, motor vehicles (other than buses), stores or spares being disposed of with a view to replacement in the ordinary course of business), the disposal of which would result in an increase in the cost of the Bus Service
- nor shall the Grantee without the previous written consent of the Commissioner cause or permit the forfeiture, surrender, loss, destruction or dissipation of its right, title or interest in the whole or any part of its Undertaking referred to in paragraphs (a) and (b) above. The Grantee shall observe and perform all the terms, conditions, covenants and provisions contained in any deed, agreement and other instrument under which the Grantee acquired the right, title or interest in the whole or any part of its Undertaking.

PROVIDED that:-

- (i) consent to any disposition of landed property may be withheld if the consequence of the disposition would be to increase the cost to the Grantee of acquiring, using, holding or maintaining the premises referred to in section 19 of the Ordinance; and
 - (ii) consent required under this Clause shall not be unreasonably withheld or delayed.
 - (4) Without prejudice to the Ordinance and other provisions of this franchise, the Grantee shall not develop or cause or permit the development of any land or buildings forming part of its Undertaking or enter into any agreement to do so without the previous written consent of the Financial Secretary (which, subject to Clause 23 (5), shall not be unreasonably withheld or delayed).
 - (5) Notwithstanding any other provisions herein, consent to any disposition or development of any land or building under Clause 23(3) and (4) may be withheld by the Commissioner or the Financial Secretary if the consequence of the disposition or development of such land or buildings would be to increase the cost to the Grantee of acquiring, using, holding or maintaining premises referred to in section 19 of the Ordinance.
24. The Grantee shall not without the previous consent in writing of the Commissioner invest in or dispose of any securities, such consent shall not be unreasonably withheld or delayed. Investment in securities
25. (1) (a) The Grantee shall, at such times as the Commissioner may direct in writing, cause the Funds to be examined by an Appointed Actuary for the purpose of assessing possible under-provisioning or over-provisioning of the Funds. Contingency Fund and Pension Fund
- (b) The Grantee shall provide such information and give access to such of its business and financial records as the Appointed Actuary may reasonably require.
 - (c) Any finding by the Appointed Actuary as to any under-provisioning or over-provisioning of the Funds shall be accepted as final and conclusive by the Grantee in the absence of manifest error.
 - (d) The Grantee shall, subject to the prior approval in writing of the Commissioner, write back such amount which is certified in an actuarial report prepared by the Appointed Actuary for the purpose of Clause 25(1)(a) to be over-provided in the Funds to the profit and loss account kept by the Grantee in respect of the Bus Service.
- (2) The Grantee shall provide such information as the Commissioner

may require in writing in respect of the Funds and their use within one month from the date of such request in writing by the Commissioner or within such other period as the Commissioner may reasonably require.

- (3) (a) The balance of the Contingency Fund shall represent liabilities in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee.
- (b) Notwithstanding the expiry of this franchise and any other terms or provisions herein, the balance of the Contingency Fund shall remain a liability in the accounts of the Grantee and shall not contribute towards its distributable profit or accrue to the benefit of shareholders of the Grantee and the balance of the Contingency Fund as at the expiry of this franchise, howsoever determined, shall be deposited with an authorised institution, other than a deposit-taking company, within the meaning of the Banking Ordinance (Cap. 155) as approved or directed from time to time by the Commissioner.
- (c) The Commissioner may within six months prior to the expiry of this franchise or within three months thereafter appoint a trustee or a custodian to hold the Contingency Fund after the said expiry of this franchise and may require the title to the Contingency Fund to be vested in the said trustee or custodian for a period of ten years from the date of expiry of this franchise (“the ten-year period”). In such event, the said trustee or custodian shall:–
 - (i) hold the Contingency Fund in accordance with the terms and conditions as may be determined or approved by the Commissioner;
 - (ii) apply the balance of the Contingency Fund to meet third party claims against the Grantee in accordance with the terms and conditions as may be determined or approved by the Commissioner; and
 - (iii) distribute the remaining balance in the Contingency Fund (if any) at the expiry of the ten-year period to the shareholders of the Grantee whose names appear on the register of shareholders of the Grantee on the date when the Contingency Fund is vested in the said trustee or custodian.
- (d) For the avoidance of doubt, this Clause, in so far as it relates to the Contingency Fund, shall survive the expiry of this franchise until the date falling ten years thereafter.

- (4) The Grantee shall procure in such manner as it may be advised by the Appointed Actuary that the Pension Fund is held by an independent trustee under a retirement scheme registered under the Occupational Retirement Schemes Ordinance (Cap. 426) and, where applicable, the Mandatory Provident Fund Schemes Ordinance (Cap. 485).
26. (1) By virtue of section 13 of the Ordinance, the Chief Executive in Council may review the scale of fares to be charged for the Bus Service and may determine and adjust such scale of fares upward or downward at any time and from time to time during the Franchise Period as he deems fit. Revenue and expenditure
- (2) Without derogation from the provisions of section 13 of the Ordinance and the powers conferred on the Chief Executive in Council thereunder, in making recommendations to the Chief Executive in Council for him to determine the scale of bus fares under the provisions of section 13 of the Ordinance, the Commissioner may have regard, inter alia, to:–
- (a) changes in Gross Revenue and Service-Related Expenditure since the last fare adjustment;
 - (b) forecasts of future Gross Revenue, Service-Related Expenditure, and return on average net fixed assets which takes into account net profit or loss and borrowing costs after tax attributable to the Bus Service;
 - (c) the need to provide the Grantee with a reasonable rate of return;
 - (d) public acceptability and affordability;
 - (e) the quality and level of the public bus service provided by the Grantee; and
 - (f) changes in price of cost elements and improvement in productivity of the franchised bus industry.
- (3) In applying for an upward or downward adjustment to the fares applicable to its Bus Service, the Grantee shall take into account, inter alia, the factors specified in Clause 26(2)(a) to (f).

PART IV

MISCELLANEOUS

27. (1) When acquiring new buses and setting specifications for such acquisition, the Grantee shall, as far as reasonably practicable:– Environmentally friendly buses

- (a) adopt the latest commercially available and proven technologies to reduce noise emissions; and
- (b) acquire the most environmentally friendly buses in terms of vehicle exhaust emission (with the ultimate objective of acquiring zero emission buses), that are technologically proven and commercially available

taking into account feasibility in terms of operational and passenger service requirements and affordability for the Grantee and passengers.

- (2) The Grantee shall adopt, at such time and in such manner, such commercially available and proven technologies and products on its buses as the Commissioner may reasonably specify after consultation with the Grantee for the purpose of reducing exhaust and noise emissions in the operation of the Bus Service.
28. (1) The Grantee shall comply with all the provisions, stipulations and requirements set out in a Forward Planning Programme for the time being in force. Forward Planning Programme
- (2) If the Grantee fails to comply with any of the provisions, stipulations and requirements contained in a Forward Planning Programme, the Grantee shall, within such time as may be specified by the Commissioner, submit a report to the Commissioner with full details and the reasons for such failure.
29. (1) The Grantee shall provide in writing to the Commissioner, at such times and in such form as he may require, copies and computer printouts or diskettes in such format as the Commissioner may specify of the records kept by the Grantee and information relating to the Bus Service, including without limitation:– Operational records and information to be supplied to Commissioner
- (a) the number of passengers carried daily on each specified route and the daily receipts therefrom;
 - (b) the frequency at and the period on every day during which public bus service is operated by the Grantee on each specified route;
 - (c) the number and carrying capacity of buses in use on each specified route on each day and the number of buses and other vehicles and their technical specifications, used, kept or ordered by the Grantee for the purposes of or in connection with this franchise;
 - (d) the number of journeys and the total kilometres travelled by each bus daily on each specified route;

- (e) the number of additional journeys operated on each specified route on each day;
 - (f) the number of drivers allocated to each specified route on each day;
 - (g) the total number of drivers on reserve (for relief of duty drivers) on each day;
 - (h) the working hours of drivers on each day;
 - (i) the number of journeys and total kilometres lost each day in relation to each specified route due to traffic congestion, accidents, breakdowns and vehicle and staff shortages, respectively;
 - (j) the maintenance schedule of the buses and other vehicles and inventory of stores;
 - (k) the number of passengers boarding and alighting at bus stops daily and at peak-hours on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct at least once in each year surveys on a weekday, other than a public holiday or a day on which the storm signal Number 8 (or higher) or a black rainstorm warning is hoisted;
 - (l) the journey time for journeys between terminal points on each of the specified routes as determined by the survey hereinafter mentioned. For the purpose of this Clause, the Grantee shall conduct surveys at such time and in such manner as the Commissioner may specify; and
 - (m) the operation or future operation of the Bus Service.
- (2) The Grantee shall without delay provide in writing to the Commissioner such information as he may from time to time reasonably require for the purpose of assessing the financial position of the Grantee, including without limitation:–
- (a) accounting system manual and costing system manual used by the Grantee for the preparation of accounts for the Bus Service; and
 - (b) procurement policies, procurement procedures and practice manual of goods and services relating to the Bus Service including but not limited to fuel, buses, spare parts, tyres and tubes, plant and machinery, repair and maintenance and cleaning services;
- Financial information to be supplied to the Commissioner

- (3) The Grantee shall provide in writing to the Commissioner with financial information for the purpose of assessing the financial position of the Grantee, including without limitation:–
- (a) annual audited financial statements prepared and certified by a Qualified Auditor within 4 months after the close of each accounting year;
 - (b) monthly management accounts (including profit and loss account, balance sheet and cashflow statement) within 2 months from the ending date of the period concerned or such longer period as the Commissioner may specify; and
 - (c) monthly report on the fuel price, fuel cost, fuel consumption, hedging contracts on fuel, in such form and manner as the Commissioner may specify, within 2 months from the ending date of the period concerned.
- (4) (a) Subject to the provisions of the Ordinance, this franchise and the accounting policies approved by the Commissioner under Clause 29(4)(b), the Grantee shall prepare and keep its accounts related to the Bus Service in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (b) The Grantee shall, not later than 3 months before the end of each accounting year, submit for the approval of the Commissioner the accounting policies governing the accounts of the Grantee which are related to the Bus Service in the form and manner as the Commissioner may specify. Such approval shall not be unreasonably withheld or delayed. The Grantee shall comply with such accounting policies as approved by the Commissioner for keeping and preparing its accounts relating to the Bus Service. The Grantee shall not make any change to the accounting policies approved by the Commissioner hereunder without the prior written approval of the Commissioner. Such accounting policies are subject to the provisions of the Ordinance and this franchise, and unless agreed otherwise between the Grantee and the Commissioner, shall be in accordance with the prevailing accounting standards and principles generally accepted in Hong Kong.
- (5) Without prejudice to the generality of Clause 29(4), the Commissioner may give direction as to the criteria for apportionment of the Grantee's general administration costs between the Bus Service and the Grantee's other businesses.
- (6) The Grantee shall ensure that contracts that are material to the Bus Service shall be put out for tendering as far as practicable. Where it

is not practicable for tendering, the relevant transactions shall be submitted to the Grantee's board of directors for approval. The Grantee is also required to specify in any internal paper on procurement of services or goods or both whether or not the tenderers/suppliers and the Grantee are Related Parties.

- (7) Subject to any conditions which the Commissioner may impose for the purposes of Clause 23, the Grantee shall obtain approval from the Grantee's board of directors before awarding any contract that is material to the Bus Service to a Related Party of the Grantee save and except where such award is effected as a result of an open tendering process participated by any third party which is not a Related Party. In seeking the board of directors' approval to award a contract to a Related Party of the Grantee without going through an open tendering process, the Grantee shall, in so far as practicable, provide relevant information to its board to:—
 - (a) explain and justify why an open tendering process cannot be conducted; and
 - (b) confirm with supporting evidence that the terms and conditions of the proposed contract are not less favourable to the Grantee than those in a contract which might otherwise be entered into with a third party which is not a Related Party of the Grantee.
 - (8) The Grantee shall procure and provide to the Commissioner financial information on all transactions which are related to the Bus Service made between the Grantee and any Related Party of the Grantee on an annual basis within 5 months after the close of each accounting year or as the Commissioner may from time to time require.
 - (9) The Grantee shall without delay provide and maintain at a location as directed by the Commissioner, two computer terminals (or any other similar device) acceptable to the Commissioner, linked to the Grantee's main computer system enabling the Commissioner and other public officers to retrieve and obtain directly the information specified in Clause 29(1)(a) to (l) with or without printout.
 - (10) The Grantee shall ensure that the information specified in Clause 29(1)(a) to (l) is entered into the Grantee's main computer system in such manner as permits retrieval in accordance with Clause 29(9), without delay and in any event not later than, in the case of the information specified in Clause 29(1)(a), (b), (c), (d), (e), (i) and (j), 7 days from the relevant operating day or within such longer period as the Commissioner may direct in writing.
30.
 - (1) The Grantee shall keep separate accounts for the Bus Service and its other businesses. The accounts of the Grantee which are related to Publication of accounts and

- | | | |
|------------|--|------------------------------------|
| | <p>the Bus Service shall be audited annually by a Qualified Auditor and published for the information of the public, in such form and manner as the Commissioner may from time to time require, within 5 months after the close of each accounting year.</p> | <p>operational information</p> |
| | <p>(2) The Grantee shall publish for the information of the public such records kept by the Grantee which are related to the Bus Service, in such form and manner as the Commissioner may from time to time require after consultation with the Grantee, within 5 months after the close of each accounting year.</p> | |
| <p>31.</p> | <p>(1) Any notice in writing or other document to be given to the Grantee by the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner under or in relation to this franchise may be given under the hand of any duly authorised officer of Government and may be served by sending the same in a letter addressed to the registered office of the Grantee.</p> | <p>Notices</p> |
| | <p>(2) Any notice in writing or other document to be given to the Chief Executive in Council, the Financial Secretary, the Secretary for Transport and Housing, Government or the Commissioner by the Grantee under or in relation to this franchise may be served by sending the same in a letter to the Commissioner.</p> | |
| <p>32.</p> | <p>All meetings of the board of directors of the Grantee shall be held in Hong Kong unless all the directors of the Grantee unanimously agree to have a meeting elsewhere.</p> | <p>Board meetings in Hong Kong</p> |
| <p>33.</p> | <p>(1) Without derogation from any provisions of the Ordinance, this franchise will be subject to review at any time and from time to time by the Commissioner during the Franchise Period starting from and including 1 May 2017. For this purpose, the Grantee shall comply without delay with all reasonable requests by the Commissioner and afford such assistance and co-operation in all respects to facilitate the conduct of the review as the Commissioner may reasonably require.</p> | <p>Mid-term review</p> |
| | <p>(2) Without prejudice to the generality of Clause 33(1) and any other provisions of this franchise, the Grantee shall, for the purpose of this Clause:—</p> | |
| | <p>(a) upon request by the Commissioner, provide without delay to the Commissioner such information as may be reasonably required; and</p> | |
| | <p>(b) appoint a person with such qualification or experience as the Commissioner may from time to time require to examine such aspects of the Bus Service as he may reasonably direct.</p> | |

- (3) During the period of such review, the Commissioner may consult with and receive written submissions or recommendations from such persons as he sees fit.
34. The Grantee shall publish its code on corporate social responsibility within 6 months from the Commencement Date and, annually thereafter:-
- Corporate
social
responsibility
- (a) publish the achievement of individual items contained therein; and
- (b) review and update its content for the purpose of continuous improvement.
35. The Grantee shall, throughout the Franchise Period, submit to the Commissioner annually a report prepared by a Qualified Auditor or a Certification Body certifying that the Grantee has put in place internal control systems and procedures which are adequate to enable, as far as practicable, the Grantee to measure and record, in all material respects, its operation statistics and other information to ensure that such statistics and other information which may be required by the Commissioner under the Ordinance or this franchise are accurate in all material respects and if the Qualified Auditor or Certification Body forms the view that those control systems and procedures are not adequate, the nature and extend of such inadequacies.
- System audit

Dated this day of 2012

COUNCIL CHAMBER

Clerk to the Executive Council

Schedule I
 Clause 23(1)
Grantee's Undertaking
(As at 1 May 2013)

1. *Buses*

(A) Requirement

	<i>Operating Requirement</i>	<i>Number of Buses Required in Fleet</i>
(i) For operating the routes under the franchise	159	
(ii) Total requirement for the routes based on 92.5% availability		172

(B) The requirement of buses in paragraph 1(A) above will be represented by –

<i>Bus Fleet</i>	<i>Number</i>	<i>Average Age (Yr.)</i>	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
(i) Double-Deck— air-conditioned	157	13.1	43,977	Wholly owned
(ii) Single-Deck— air-conditioned	15	14.01	1,548	Wholly owned
Total fleet	172	13.37	45,525	

2. *Land and Buildings*

	<i>Approximate Site Area (m²)</i>	<i>Nature of Interest</i>
(A) Depot		
Bus depot at Siu Ho Wan, North Lantau	8,800	Short term tenancy commencing on 15 May 1997 up to 31 May 2003 and thereafter quarterly.

	<i>Approximate Site Area (m²)</i>	<i>Nature of Interest</i>
(B) Bus Servicing/Parking Area		
A bus servicing area at Area 26, Tung Chung, Lantau Island	6,373	Short term tenancy commencing on 1 March 2002 up to 31 May 2003 and thereafter quarterly [Note].
A bus parking site at junction of Lam Chak Street and Cheung Yip Street, Kowloon Bay	4,630	Short term tenancy commencing on 1 November 2009 up to 31 October 2010 and thereafter quarterly.

Note: If the Government shall terminate this tenancy, the Grantee's obligation under Clause 23(1) to maintain its undertaking shall be satisfied by requesting and, if offered, accepting from the Government a tenancy of a comparable site or sites at comparable rates per square metre.

3. *Plant and Machinery*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
Plant and machinery <i>including</i> :	910	Wholly owned
(A) Bus washing machines;		
(B) Brake testers;		
(C) Forklift trucks;		
(D) Mobile vehicle lifts; and		
(E) Others		

4. *Other Fixed Assets*

	<i>Estimated Written Down Value (HK\$'000)</i>	<i>Nature of Interest</i>
(A) Other vehicles	490	Wholly owned
(B) Computers	10	Wholly owned
(C) Fare boxes	0	Wholly owned
(D) Furniture and fittings	200	Wholly owned
(E) Contactless smart card system	10	Wholly owned
(F) Passenger facilities including kiosks	50	Wholly owned

5. *Others*

	<i>Estimated Value (HK\$'000)</i>	<i>Nature of Interest</i>
(A) Stores and spares	5,000	Wholly owned
(B) Passenger shelters	-	Provided for use through contractual arrangement

新專營權內主要新增和修訂條款的摘要

<u>條款</u>			<u>新巴、龍運及城巴(專營權二)新專營權內 主要新增和修訂條款的細節</u>
新巴	龍運	城巴 (專營權二)	
1	1	1	擴闊“設施”的定義，把專營權所訂運輸署署長(「署長」)的規管權力，擴大至涵蓋與提供巴士服務相關的其他設施。例如除於巴士站、終點站及巴士總站的指定項目外，還涵蓋車上電視廣播和其他視聽設備。
3	3	3	修訂此條款，清楚訂明向專營公司授予非獨有權利以經營公共巴士服務的現行政策。
7	7	7	增訂第(1)款，授權署長規定專營公司取得、提供、使用、維持或更改旗下巴士的設施、裝設及裝置等，以加強安全及服務，包括為長者和傷殘人士提供無障礙設施。
9	9	9	修訂第(4)(b)款，訂明如署長指示專營公司把任何巴士設施轉讓給另一專營公司，相關的各間專營公司須就轉讓設施的合理公正價格，進行商議及達成協議。
14	14	14	修訂此條款，擴大署長規管專營公司向公眾提供巴士服務資訊的內容、形式及方法的權力。此條款特別規定，專營公司須在其網站和透過公眾輕易用到的常見網絡瀏覽器提供服務資訊。
20	21	21	修訂“固定資產”的定義，訂明不包括在固定資產內的存料及零件種類。

新巴、龍運及城巴(專營權二)新專營權內
主要新增和修訂條款的細節

新巴	龍運	城巴 (專營權二)	條款
21	22	22	<ul style="list-style-type: none"> • 修訂第(1)款，更清楚地訂明固定資產折舊年率的計算方法。此條款更特別訂明，署長可核准巴士有不同的折舊年期，以顧及日後或使用非柴油巴士(例如混合動力巴士，電動巴士)，可能有不同折舊年期的情況。 • 增訂第(2)款，就專營公司藉從政府所得到的資助而購置的固定資產，訂明折舊計算方法。 • 增訂第(5)(b)款，規定專營公司如把樓宇與土地一同賣出或出售，而又無法確定樓宇本身在銷售收入中所佔份額時，則須提交由獨立測量師擬備，有關樓宇的合理市值的估值報告。 • 修訂第(8)及(9)款並重新編號，更清楚地訂明樓宇結構加建物折舊的計算方法。
22	23	23	增訂第(4)及(5)款，加強規管專營公司出售、發展、導致或容許他人發展屬其承諾中任何部分的土地或樓宇。
25	26	26	<ul style="list-style-type: none"> • 增訂第(1)款，反映《公共巴士服務條例》所訂，行政長官會同行政會議上調和下調巴士票價的權力。 • 修訂第(2)款並重新編號，反映署長向行政長官會同行政會議提交有關釐定巴士票價的建議時，根據“再經修訂的考慮多方面因素做法”所考慮的新元素，包括成本元素價格以及專營巴士業界生產力改善的變動。

新巴、龍運及城巴(專營權二)新專營權內
主要新增和修訂條款的細節

新巴	龍運	城巴 (專營權二)	條款
26	27	27	<ul style="list-style-type: none"> 修訂第(1)(b)款並重新編號，規定專營公司經考慮營運可行性，以及專營公司和乘客的負擔能力後，購置就廢氣排放而言最為環保、且技術已獲確認而市場上已有供應的巴士。值得注意的是，此條款修訂後反映政府促使專營巴士公司購置零排放巴士的最終目標。 新增第(2)款，賦權署長規定專營公司採用市場上最新而已有供應、且已獲確認的技術和產品或車上裝置，以減低廢氣排放及噪音。
28	29	29	<ul style="list-style-type: none"> 修訂第(4)款，訂明專營公司就製備帳目所用會計政策徵求署長批准的程序。 修訂第(7)條，規定專營公司如把未經公開招標的重要合約批予與專營公司有關連人士，須獲董事局批准。這有助確保巴士公司與有關連人士的交易具透明度且公平。
35	34	34	增訂此條款，規定專營公司公布企業社會責任守則，以及每年檢討該守則。此新增條款的目的是為切合市民對專營巴士公司營運業務時，應充分顧及其社會責任的期望。
36	35	35	增訂此條款，規定專營公司每年提交系統審核報告，證明該公司已設立足以量度並記錄營運統計數據及其他資料的內部控制系統和程序，從而確保這些提交署長的資料在所有要項上均為準確。

巴士公司就票價優惠措施所作承諾的摘要

新巴(共 33 項)

- (a) 11 項新增的巴士轉乘計劃(「轉乘計劃」)
- (b) 3 項與城巴(專營權二)一起提供的新增跨公司轉乘計劃
- (c) 1 項現有轉乘計劃提供更低的優惠收費
- (d) 1 項與九巴一起提供的新增跨公司轉乘計劃
- (e) 16 條路綫增設新的分段收費
- (f) 1 條路綫降低分段收費

龍運(共 21 項)

- (g) 1 條路綫增設即日回程折扣優惠
- (h) 2 項在青馬收費廣場提供的新增轉乘計劃
- (i) 5 項涉及機場路綫與九巴路綫的新增跨公司轉乘計劃
- (j) 2 項與城巴(專營權二)一起提供的新增跨公司轉乘計劃
- (k) 10 條路綫增設新的分段收費
- (l) 1 條通宵路綫增設雙向分段收費

城巴(專營權二)(共 11 項)

- (m) 3 項在青馬收費廣場／東涌提供的新增轉乘計劃
- (n) 1 項現有轉乘計劃提供更低的優惠票價
- (o) 3 項與新巴一起提供的新增跨公司轉乘計劃¹
- (p) 2 項與龍運一起提供的新增跨公司轉乘計劃²
- (q) 2 條路綫降低分段收費

¹ 與新巴(b)項的轉乘計劃相同。

² 與龍運(j)項的轉乘計劃相同。

**跨公司的巴士轉乘優惠計劃
及主要票價優惠計劃的詳情**

跨公司的巴士轉乘優惠計劃

巴士公司已承諾出推 11 項跨公司的巴士轉乘優惠計劃(「跨公司轉乘計劃」)，下列 8 個新增的跨公司轉乘計劃代表具象徵意義的突破：

- (a) **龍運與城巴(專營權二)的 2 項轉乘計劃**，是兩間公司首度合辦的跨公司轉乘計劃，將會惠及在飛機維修區工作的機場員工和逸東邨的居民。
 - (b) **新巴與九巴行走九龍東及港島南路綫¹之間的 1 項跨公司轉乘計劃**，亦為轉乘計劃揭開新的一頁。由於兩間公司至今提供的跨公司轉乘計劃主要涵蓋聯合營運的過海路綫，因此上述新增的跨公司轉乘計劃是首個結合新巴及九巴旗下獨營路綫的“真正”跨公司轉乘計劃。
 - (c) 至於**九巴與龍運**的跨公司轉乘計劃，雖然兩間公司互有關連，但目前只提供一項跨公司轉乘計劃。龍運及九巴旗下新界路綫的**5 項**新增跨公司轉乘計劃，將會大大加強機場路綫(「A」綫)與現時這些路綫未能直達的地區之間的聯繫。
2. 另外**3 項**由**新巴與城巴(專營權二)**合辦的跨公司轉乘計劃，會在服務筲箕灣、深水埗、中環和灣仔區的指定新巴路綫提供票價折扣，惠及機場員工和機場乘客。
3. 確立這些先例後，我們會繼續與巴士公司商討，在未來推出更多跨公司轉乘計劃。

¹ 跨公司轉乘計劃涉及新巴 30X 號路綫(數碼港—中環)和九巴 603/603S 號路綫(平田—中環)。乘客乘搭該兩條路綫經薄扶林道往來藍田／油塘與數碼港，可享 1.5 元票價折扣。

為東涌居民及機場員工而設的票價措施

4. 由於這次續批新專營權涉及兩個提供往來北大嶼山巴士服務的專營權，在公眾諮詢期間其中一個主要關注範疇，是為機場員工和東涌居民而設的票價措施。除目前提供的票價優惠外，龍運及城巴(專營權二)承諾增推的 **30 項**新增票價優惠計劃，會惠及相關路綫的乘客，包括機場員工及／或東涌居民。

5. 新增票價優惠計劃重點如下：

- (a) 龍運同意為乘搭 A43 號路綫(北區—機場)的機場員工提供 20%即日回程折扣優惠²；這項優惠可部分回應北區的一項長期訴求。
- (b) 龍運與城巴(專營權二)現於青馬收費廣場分別為各自的「A」綫與「E」綫提供轉乘計劃。在兩家公司承諾青馬收費廣場增推共 4 項新的轉乘計劃後，它們各自的「A」綫與「E」綫來回方向能提供覆蓋更全面的轉乘優惠。一般來說，乘搭某巴士公司「E」綫的乘客，只需補付車費差額便可轉乘該公司的「A」綫巴士。另外，若屬同一地區，「A」綫乘客可免費轉乘同一巴士公司旗下的「E」綫巴士。覆蓋全面的轉乘計劃可藉票價折扣來迎合不同乘客在網絡覆蓋範圍、巴士路綫和行車時間方面的不同需要。舉例來說，居於大埔而在機場客運大樓工作的機場員工，可能在大埔乘搭龍運 E41 號路綫較為方便，但為免乘搭 E41 號路綫需繞經東涌和機場島，該員工可在青馬收費廣場轉乘直達機場客運大樓的龍運「A」綫巴士，而在補付該綫票價時可享 5.1 元的折扣。
- (c) 龍運與城巴(專營權二)旗下「E」綫及城巴(專營權二)S52 號路綫(東涌—飛機維修區)之間新增的跨公司轉乘計劃，會為在飛機維修區工作的機場員工提供 13%票價折扣³。

² 目前，只有一條「A」綫(龍運 A43 號路綫)直接往來北區與機場，乘搭該路綫的機場員工單程要付 30.9 元。推出新計劃後，乘搭該路綫即日來回的機場員工，在回程時可享 20%折扣，節省 6.2 元。

³ 現時只有 S52 號路綫往來飛機維修區。根據新增的跨公司轉乘計劃，該路綫的乘客在東涌轉乘龍運及城巴(專營權二)旗下「E」綫，來回方向均可享有 0.5 元(13%)的折扣。

- (d) 根據龍運與城巴(專營權二)在東涌提供的另一項跨公司轉乘計劃，**逸東**居民除可在回家往逸東邨方向的車程享有 28%票價折扣外，還受惠於由東涌往逸東邨的 E21A 號和 E31 號路綫的聯合班次⁴。事實上，這方面的改善措施是逸東邨居民的長期訴求。
- (e) 龍運「A」綫與 16 條九巴路綫之間 5 項新增的轉乘計劃，會為現時龍運「A」綫不能直達的**新界**地區的機場員工和往返機場的乘客提供票價折扣。舉例來說，荃灣梨木樹邨和象山邨、屯門大興、沙田黃泥頭和新田圍，以及上水天平邨和清河邨等若干大型住宅區，居民轉乘指定九巴路綫及龍運「A」綫可享 1.0 元票價折扣。
- (f) 涉及 3 條城巴(專營權二)「A」綫及 3 條新巴路綫的 3 項新增轉乘計劃，會惠及機場員工和往返機場的乘客。他們會在服務**筲箕灣**、**深水埗**、**中環**和**灣仔區**的指定新巴路綫，獲 1.5 元至 6.5 元不等的票價折扣。
- (g) 現時，城巴(專營權二)於 3 條往來機場／東涌及市區的長途通宵綫(「N」綫)，為往來機場及**東涌新市鎮／逸東邨**的一段提供雙向分段收費。龍運同意在其通宵綫 N31 號路綫(荃灣－機場／東涌)安排類似的雙向分段收費，提供 76%票價折扣⁵，為居於東涌的夜更機場員工提供更多路綫選擇。這項分段收費亦是東涌(特別是逸東邨)居民的長期訴求。

為港島區乘客而設的票價措施

6. 目前，新巴在港島區提供 60 項轉乘計劃及於 75 條路綫

⁴ 目前，乘搭城巴(專營權二)「E」綫的逸東邨居民，可在東涌免費轉乘該公司 E21A 號路綫前往逸東。同樣，乘搭龍運「E」綫的乘客亦可在青馬收費廣場免費轉乘該公司 E31 號路綫前往逸東。根據新的跨公司轉乘計劃，乘搭兩家公司「E」綫再轉乘城巴(專營權二)E21A 號及龍運 E31 號路綫的乘客，均可享有 1.0 元(28%)折扣。

⁵ 目前，龍運 N31 號路綫往來荃灣與機場(經逸東)，票價 21.6 元。當龍運同意提供的雙向分段收費實施後，來回機場至逸東一段的乘客只需繳付 5.2 元分段收費，可享 16.4 元(76%)票價折扣。

提供分段收費。除現已提供的票價優惠外，該公司將新增 9 項轉乘計劃(包括 3 項跨公司轉乘計劃)及在途經中環、灣仔、南區和東區的 16 條路綫增設分段收費，使香港島的乘客得以受惠。新巴特別因應東區區議會提出的兩項有關個別路綫的要求，會推出下列新增的票價優惠計劃：

- (a) 於現時 720 號路綫(中環—西灣河)及其他 3 條巴士路綫的一項轉乘計劃中，為於筲箕灣轉乘 720 號路綫的乘客提供更低的優惠票價；及
- (b) 於 9 號路綫(筲箕灣—石澳)和 14 號路綫(赤柱—西灣河)增設新分段收費，惠及往來筲箕灣與西灣河的山翠苑居民。

為將軍澳乘客而設的票價措施

7. 目前，新巴主要在將軍澳南提供若干巴士服務，並正提供 6 項轉乘計劃及於 7 條往來將軍澳的路綫提供分段收費。除現已提供的票價優惠外，新巴會推出另外 3 項轉乘計劃，為將軍澳南往來西九龍(旺角／深水埗)及沙田的乘客提供更佳的交通聯繫。

對經濟的影響

新巴、龍運及城巴(專營權二)在二零一一年的平均每日總乘客量約為 63 萬人次，佔全港公共交通工具的每日乘客人次約 5%。批出為期十年的新專營權，有助三間巴士公司的長遠規劃、發展及投資，並確保他們能夠繼續為市民提供可靠而有效率的巴士服務。一般市民，特別是機場員工，以及東涌、港島區和將軍澳的居民，亦會受惠於巴士公司將會推出的票價優惠計劃和其他改善措施。

對環境的影響

2. 為協助改善路邊的空氣質素，新專營權會增訂條款，訂明巴士公司必須推行所規定的環境改善措施

對可持續發展的影響

3. 批出專營權對可持續發展並無重大影響。



本會檔號 Our Ref.

來函檔號 Your Ref.

香港添馬
添美道 2 號
政府總部東翼 22 樓
運輸及房屋局局長
鄭汝樺女士，GBS，JP

鄭局長：

新世界第一巴士服務有限公司、
龍運巴士有限公司及城巴有限公司
（機場及北大嶼山巴士網絡專營權）的專營權事宜

交通諮詢委員會（「交諮會」）在其二零一一年七月二十六日及二零一二年三月二十七日的會議上，曾討論新世界第一巴士服務有限公司（「新巴」）、龍運巴士有限公司（「龍運」）及城巴有限公司（機場及北大嶼山巴士網絡專營權）（「城巴（專營權二）」），申請於現有專營權在二零一三年屆滿時，續辦為期十年新專營權的事宜。本函載述交諮會向行政長官會同行政會議提出的意見。

交諮會的考慮依據

在考慮擬向三間巴士公司批出新專營權時，委員已考慮各項相關因素，包括：

- (i) 規管專營權審批事宜的相關法律制度，包括《公共巴士服務條例》（第 230 章）（《條例》）的有關條文，以及《條例》中各項文書以規管巴士服務的提供；

- (ii) 相關巴士公司的表現，以及它們提供適當而有效率的巴士服務的能力；
- (iii) 為收集乘客對相關巴士公司旗下服務的整體意見而進行的獨立意見調查；
- (iv) 擬議新專營權中的增訂或修訂條款；以及
- (v) 相關巴士公司就票價優惠、提升服務和環境改善措施方面所作的承諾，以及他們願意進一步投資營運專營巴士業務。

規管巴士專營權審批事宜的相關法例

委員留意到，《條例》第 5 條訂明，行政長官會同行政會議可向公司批予專營權以經營公共巴士服務；第 6 條訂明，可獲批予的專營權不超逾十年；而第 12 條則訂明，獲批巴士專營權的專營公司在專營期內的任何時間，均須維持達致運輸署署長（「署長」）滿意程度的適當而有效率的公共巴士服務。

委員亦知悉，根據既定做法，巴士公司如證明有能力提供適當而有效率的服務，並願意進一步投資營運專營巴士服務，通常會獲批為期十年的新專營權。

相關巴士公司的服務表現

新巴的主要營運範圍為香港島，而龍運及城巴（專營權二）的主要營運範圍則在北大嶼山和機場。委員留意到，三間巴士公司自其現有專營權於二零零三年生效以來，一直為乘客（在可靠性、安全程度、服務水準和環保方面）提供令人滿意的服務。多年來，三間巴士公司不斷改善服務和重整巴士路線以切合乘客需求；它們亦提升了其業務營運和巴士網絡的效率。

市民對巴士服務的意見

運輸署於二零一一年六月委託進行的獨立意見調查顯示，分別有 86%、87% 和 90% 的受訪者表示滿意新巴、龍運及城巴（專營權二）的整體服務質素。當中，乘客對巴士公司環保表現的滿意程度較低，但這情況在日後當新增及修訂專營權條款生效後，有關新購和現役巴士須採用環境改善措施時會有所改善。

擬議的新增及修訂專營權條款

交諮會委員留意到，由於新專營權的有效期為十年，其中所載條款應容許適當程度的彈性，以配合不斷改變的技術、服務需求和公眾期望等事宜。

委員知悉，新專營權將會包含若干新增和修訂的條款。其中一項新增條款，賦權署長合理地規定巴士公司提供設施或特別設計，以提升巴士一般的服務和安全水平。在環保方面，委員理解現有專營權中一項現行條款將會被修訂，以規定巴士公司在考慮可行性，以及公司和乘客的負擔能力後，購置技術已獲確認而市場上已有供應的最環保巴士（包括零排放巴士）。此外，現有專營權的若干條款將會更新，加強署長規管巴士公司向乘客提供的資訊，以及加強政府對巴士公司服務和財務狀況的監管，從而確保巴士公司以良好的企業管治方式來管理巴士業務。

巴士公司就票價優惠及服務提升所作的承諾

委員留意到，三間巴士公司已合共提供超過 100 項票價優惠，及在旗下約 90% 的路綫提供分段收費。在商議新專營權期間，巴士公司承諾在新專營權生效後，推出約 60 項新的票價優惠計劃，包括增加新的巴士轉乘優惠計劃、增設新的分段收費、調低現有優惠計劃的票價，以及為機場員工提供即日回程折扣優惠。這些優惠計劃相信可讓乘客，特別是往來三間巴士公司主要服務範圍的乘客（即機場員工，東涌、港島區和將軍澳的居

民)，更感便利及節省車資。部份優惠計劃是特別為滿足區內乘客實際需要和訴求而推出的。

此外，委員亦知悉相關巴士公司已經表明願意繼續營運專營巴士服務，以及進一步投資於巴士設施以提升安全和乘客服務。舉例來說，巴士公司已承諾在訂定新購巴士的規格時，會採用加入無障礙和便利長者設施的巴士設計；以及在巴士上、巴士站和公司網站向乘客提供最佳的資訊。巴士公司並已承諾在未來五年投入相當的資金，以更換旗下車隊差不多 70% 的巴士。

交諮會的意見

考慮到各項相關因素，交諮會整體上支持當局的建議，即在三間巴士公司現有專營權於二零一三年五月／七月屆滿時，批予為期十年的新專營權，以確保相關巴士服務得以順利延續。

煩請當局將交諮會的意見轉交行政長官會同行政會議考慮。行政長官會同行政會議的決定公布後，本函所載交諮會的意見可向公眾發布。

A handwritten signature in blue ink, reading '袁國強' (Yuen Kwong-keung).

交通諮詢委員會主席袁國強，S.C.

二零一二年四月十日

《公共巴士服務條例》

決議

(根據《公共巴士服務條例》(第 230 章)第 5(3)(b)條)

議決於 2012 年 4 月 24 日根據《公共巴士服務條例》(第 230 章)第 5 條批予新世界第一巴士服務有限公司(New World First Bus Services Limited)，並刊登於憲報的 2012 年第 3180 號政府公告的專營權，在其整段有效期內不受該條例第 27、28、29 及 31 條的規限。

《公共巴士服務條例》

決議

(根據《公共巴士服務條例》(第 230 章)第 5(3)(b)條)

議決於 2012 年 4 月 24 日根據《公共巴士服務條例》(第 230 章)第 5 條批予龍運巴士有限公司(Long Win Bus Company Limited)，並刊登於憲報的 2012 年第 3181 號政府公告的專營權，在其整段有效期內不受該條例第 27、28、29 及 31 條的規限。

《公共巴士服務條例》

決議

(根據《公共巴士服務條例》(第 230 章)第 5(3)(b)條)

議決於 2012 年 4 月 24 日根據《公共巴士服務條例》(第 230 章)第 5 條批予城巴有限公司(Citybus Limited)，並刊登於憲報的 2012 年第 3182 號政府公告的專營權，在其整段有效期內不受該條例第 27、28、29 及 31 條的規限。