### **LEGISLATIVE COUNCIL BRIEF**

# PORT CONTROL (CARGO WORKING AREAS) ORDINANCE (CAP. 81)

### Port Control (Public Cargo Working Area) Order 2016 and

### Port Control (Public Cargo Working Area) (No. 2) Order 2016

### **INTRODUCTION**

Under the Port Control (Cargo Working Areas) Ordinance (Cap. 81) ("the Ordinance"), the Secretary for Transport and Housing ("the Secretary") has made the Port Control (Public Cargo Working Area) Order 2016 at **Annex A** and the Port Control (Public Cargo Working Area) (No. 2) Order 2016 at **Annex B** (collectively, "the Orders") to declare the new boundaries of the Western District Public Cargo Working Area ("WDPCWA") and Stonecutters Island Public Cargo Working Area ("SIPCWA") respectively. This paper briefs Members on the Orders.

# **BACKGROUND AND JUSTIFICATIONS**

2. Public Cargo Working Areas ("PCWAs") are fenced-off seafront areas for handling cargo carried by local barges or small cargo vessels. Section 3(1) of the Ordinance confers power on the Secretary to declare any area of unleased Government land to be a PCWA. Currently, there are six PCWAs<sup>1</sup> in Hong Kong. WDPCWA was established in 1981 and its existing boundaries were declared under the Port Control (Public Cargo Working Area) Order 2015<sup>2</sup>. SIPCWA was established in 1999 and its existing boundaries were declared under the Port Control (Public Cargo

<sup>&</sup>lt;sup>1</sup> The six PCWAs are Tuen Mun PCWA, Rambler Channel PCWA, SIPCWA, New Yaumatei PCWA, Chai Wan PCWA and WDPCWA.

<sup>&</sup>lt;sup>2</sup> The Port Control (Public Cargo Working Area) Order 2015 was gazetted on 30 January 2015 to declare the existing boundaries of WDPCWA, which took effect on 3 December 2015.

Working Area) Order (No. 2) 1999<sup>3</sup>.

3. PCWAs occupy land areas with sea frontage, for which there are many competing uses, such as open space and seaside promenade for residents, port back-up land for container terminal operations, etc. After examining the needs of various parties including District Councils and terminal operators, and in consultation with PCWA operators, the Government has decided to release 172 metres of sea frontage in WDPCWA to meet district needs and 120 metres in SIPCWA for container handling to enhance the operational efficiency of container terminals.

### WDPCWA

4. WDPCWA currently occupies a total land area of approximately 40 300 square metres (" $m^2$ ") with a usable sea frontage of 1 052 metres. The Marine Department has completed a comprehensive review on PCWAs ("the Review") and proposed to release Berth No. 1, 2 and 3 (with a total sea frontage of 172 metres) of WDPCWA for other use.

5. Berths No. 1, 2 and 3 were not included in WDPCWA from 13 November 2010 to 31 December 2014 as stipulated in the repealed section 7A of the Port Control (Public Cargo Working Area) (Consolidation) Order (Cap. 81B). During this period, the berths were used by the Mass Transit Railway Corporation as barging point for the construction of West Island Line. They were returned to the Marine Department on 31 December 2014 and have not been leased out for PCWA operation since then.<sup>4</sup> The land area involved is approximately 7 700 m<sup>2</sup> (coloured red in **Annex C**) and will be returned to the Lands Department for reallocation. After the release, WDPCWA will occupy a total land area of approximately 32 600 m<sup>2</sup> with a usable sea frontage of 880 metres.

<sup>&</sup>lt;sup>3</sup> The Port Control (Public Cargo Working Area) (No. 2) Order 1999 was gazetted on 5 November 1999 to declare the existing boundaries of SIPCWA, which took effect on the same day.

<sup>&</sup>lt;sup>4</sup> Section 7 of the Port Control (Public Cargo Working Area) (Consolidation) Order (Cap. 81B) was revived on 1 January 2015; and hence Berths No. 1, 2 and 3 have become part of WDPCWA again. Section 7 was repealed and replaced by a new section 7B in 2015. Such amendment did not affect the legal status of Berths No. 1, 2 and 3 as part of WDPCWA.

# SIPCWA

SIPCWA currently occupies a total land area of approximately 6.  $35559 \text{ m}^2$  with a usable sea frontage of approximately 640 metres. The Study on Strategic Development Plan for Hong Kong Port 2030 ("HKP 2030 Study")<sup>5</sup> recommends that SIPCWA should be upgraded to a modern container handling facility to support the operation of Kwai Tsing Container Terminals ("KTCT"). Taking into consideration this recommendation and PCWA operators' reactions, we decided to release a sea frontage of 120 metres at the northwestern end of SIPCWA to support container terminal operations after 31 July 2016. This arrangement would alleviate port congestion and help enhance the service standard as well as the general competitiveness of KTCT, while minimising the impact on existing PCWA operators. The land area involved is approximately  $6\,159\,\text{m}^2$  (coloured red in Annex D) and will be returned to Lands Department for reallocation to KTCT's operators. To ameliorate the impact on PCWA operators, the Marine Department will demolish the existing unused canteen in SIPCWA to make available 40 metres of sea frontage for PCWA operations, thus reducing the actual loss of sea frontage from 120 metres to 80 metres. After the release, SIPCWA will occupy a total area of approximately  $29400 \text{ m}^2$  with a usable sea frontage of 560 metres.

# THE ORDERS

7. The Orders declare the new boundaries of WDPCWA and SIPCWA, shown on the plans at **Annex E** and **Annex F** respectively. The Orders will commence on 1 August 2016.

<sup>&</sup>lt;sup>5</sup> HKP 2030 Study, commissioned by the Transport and Housing Bureau and completed in 2014, projects that HKP would continue to grow in container throughput at an average annual rate of 1.5% up to 2030. The projected growth is mainly attributable to the growth in transshipment cargo. It also reveals that utilisation of port facilities is uneven as more and more containerised cargo will be using KTCT and there is a shift of inland transport mode for South China cargo from trucking to barging. It recommends, amongst others, that the capacity of the KTCT should be enhanced through provision of more yard space and barge berths so as to meet future demand and hence maintain its competitiveness.

# LEGISLATIVE TIMETABLE

8. The Orders will be gazetted on 20 May 2016 and tabled at the Legislative Council for negative vetting on 25 May 2016.

# IMPLICATIONS OF THE PROPOSAL

9. On economic implications, the portion of WDPCWA to be released has not been used for PCWA operation since 2010, the new boundaries of WDPCWA should have minimal impact on the daily operation of the existing PCWA operators. Meanwhile, the release of 120 metres of sea frontage in SIPCWA for the development of modern container handling facility for the container terminal will expand KTCT's berth capacity.

10. On financial implications, the release of Berths No. 1, 2 and 3 totalling 172 metres in WDPCWA for leisure use and 120 metres in SIPCWA for the container handling would lead to revenue loss but the amount would be insignificant. On the expenditure side, as the Marine Department would still need to provide maintenance services to SIPCWA and WDPCWA as a whole, the revised boundaries would have insignificant resource implications.

11. On environmental implications, the proposed release of Berths No. 1, 2 and 3 of WDPCWA will contribute to environmental enhancement of Western District.

12. The Orders are in conformity with the Basic Law, including the provisions concerning human rights. It has no productivity, civil service, competition, family and gender implications, and has no significant sustainability implications. They will not affect the current binding effect of the Ordinance.

# PUBLIC CONSULTATION

13. PCWA operators including those operating at WDPCWA and SIPCWA were consulted. They had no objection to the proposal. The Hong Kong Port Development Council, the Port Operations Committee, the Harbourfront Commission's Task Force on Water-land Interface, the Central and Western District Council and the Legislative Council Panel on Economic Development were consulted. They accepted the proposal.

# **PUBLIC REACTIONS**

14. For WDPCWA, Central and Western District Council and residents welcome the release of Berths No. 1, 2 and 3 for development of district amenities. For SIPCWA, the release of 120 metres of sea frontage would inevitably intensify the competition for the berths. As PCWA operators have been engaged throughout the Review process and the Marine Department will replenish lost PCWA space by demolishing the unused canteen, the trade accepts the overall arrangement.

# PUBLICITY

15. A press release will be issued on 20 May 2016 and a spokesman will be available to handle enquires.

# **ENQUIRIES**

16. Any enquiry on this brief can be addressed to Mr Calvin Wong, Senior Marine Officer, the Marine Department (Tel: 2852 4452).

Transport and Housing Bureau Marine Department May 2016

Port Control (Public Cargo Working Area) Order 2016

#### Port Control (Public Cargo Working Area) Order 2016

Section 1

1

### Port Control (Public Cargo Working Area) Order 2016

(Made by the Secretary for Transport and Housing under section 3(1) of the Port Control (Cargo Working Areas) Ordinance (Cap. 81))

#### 1. Commencement

This Order comes into operation on 1 August 2016.

#### 2. Public cargo working area

The area of unleased Government land situated at Western District (having an area of approximately 32 600 square metres), delineated and coloured pink on the plan numbered HKM8800b signed by the Deputy Director of Lands (Survey and Mapping) on behalf of the Director of Lands on 12 May 2016 and deposited in the Land Registry, is declared to be a public cargo working area.

3. Port Control (Public Cargo Working Area) Order 2015 repealed

The Port Control (Public Cargo Working Area) Order 2015 (L.N. 28 of 2015) is repealed.

4. Port Control (Public Cargo Working Area) (Consolidation) Order amended

> The Port Control (Public Cargo Working Area) (Consolidation) Order (Cap. 81 sub. leg. B) is amended as set out in section 5.

5. Section 7B substituted

Section 7B-

Repeal the section Substitute

#### Section 5

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#### 2

### "7B. Western District public cargo working area

The area of unleased Government land situated at Western District (having an area of approximately 32 600 square metres), delineated and coloured pink on the plan numbered HKM8800b signed by the Deputy Director of Lands (Survey and Mapping) on behalf of the Director of Lands on 12 May 2016 and deposited in the Land Registry, is declared to be a public cargo working area.".

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3 May 2016

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### **Explanatory Note**

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This Order declares new boundaries for the Western District public cargo working area and repeals an earlier Order relating to that public cargo working area.

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Port Control (Public Cargo Working Area) (No. 2) Order 2016

Section 1

### Port Control (Public Cargo Working Area) (No. 2) Order 2016

(Made by the Secretary for Transport and Housing under section 3(1) of the Port Control (Cargo Working Areas) Ordinance (Cap. 81))

#### 1. Commencement

This Order comes into operation on 1 August 2016.

#### 2. Public cargo working area

The area of unleased Government land situated at Stonecutters Island (having an area of approximately 29 400 square metres), delineated and coloured pink on the plan numbered KTM2104a signed by the Deputy Director of Lands (Survey and Mapping) on behalf of the Director of Lands on 4 May 2016 and deposited in the Land Registry, is declared to be a public cargo working area.

### 3. Port Control (Public Cargo Working Area) (No. 2) Order 1999 repealed

The Port Control (Public Cargo Working Area) (No. 2) Order 1999 (L.N. 268 of 1999) is repealed.

### 4. Port Control (Public Cargo Working Area) (Consolidation) Order amended

The Port Control (Public Cargo Working Area) (Consolidation) Order (Cap. 81 sub. leg. B) is amended as set out in section 5.

5. Section 12 substituted

Section 12-

Repeal the section Substitute

1

Section 5

### "12. Stonecutters Island public cargo working area

Port Control (Public Cargo Working Area) (No. 2) Order 2016

The area of unleased Government land situated at Stonecutters Island (having an area of approximately 29 400 square metres), delineated and coloured pink on the plan numbered KTM2104a signed by the Deputy Director of Lands (Survey and Mapping) on behalf of the Director of Lands on 4 May 2016 and deposited in the Land Registry, is declared to be a public cargo working area.".

MACLOURGE Secretary for Transport and Housing

3 May 2016

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Explanatory Note			
Paragraph 1			3

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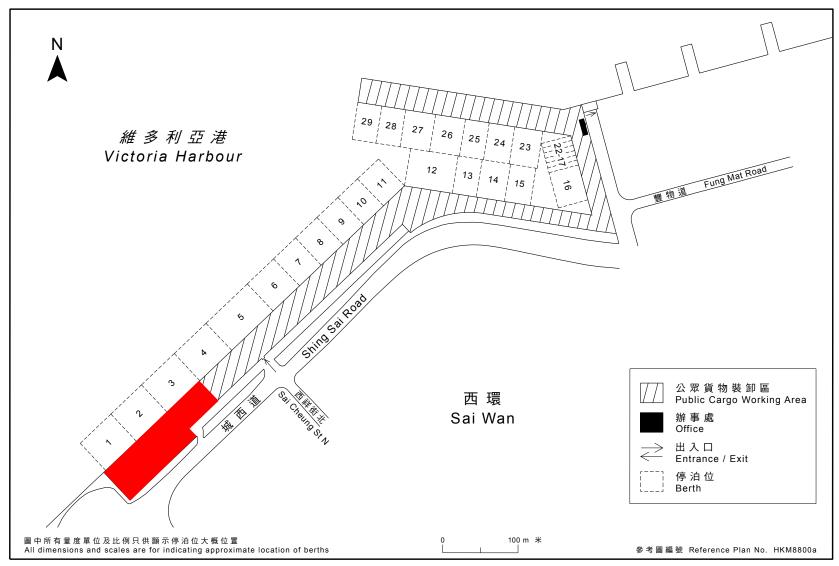
### **Explanatory Note**

This Order declares new boundaries for the Stonecutters Island public cargo working area and repeals an earlier Order relating to that public cargo working area.

Annex C

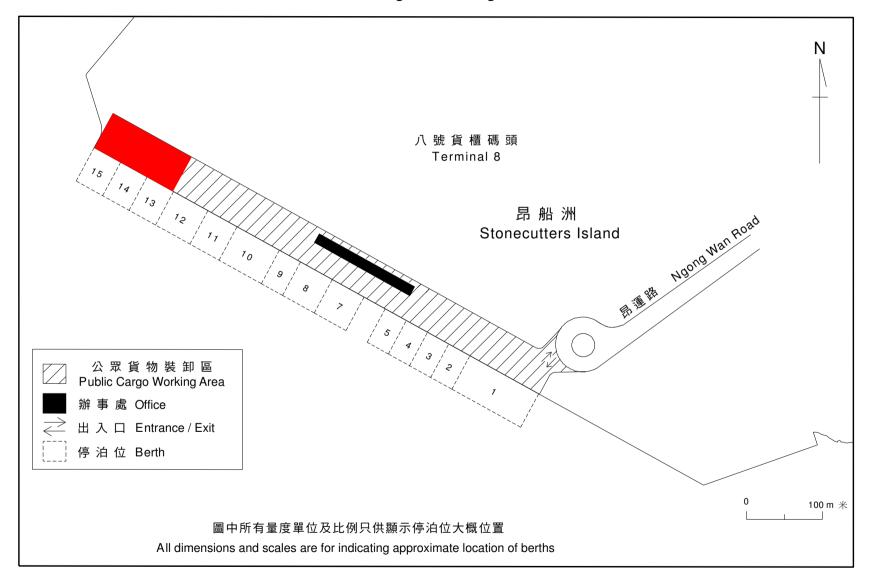
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Western District Public Cargo Working Area Berth Location Plan

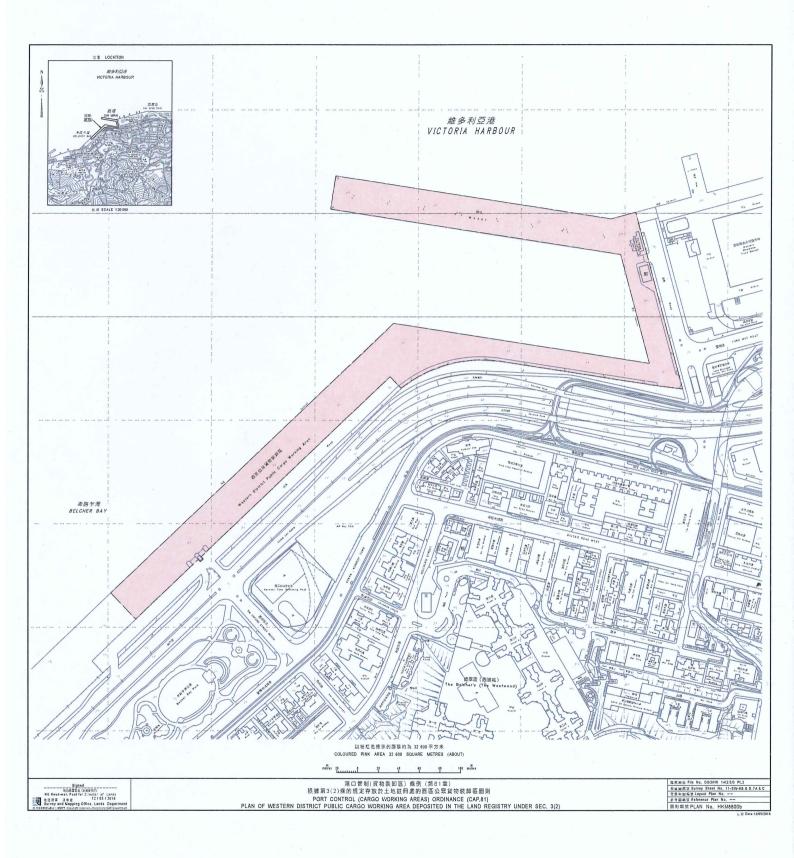


昂船洲公眾貨物裝卸區停泊位位置圖

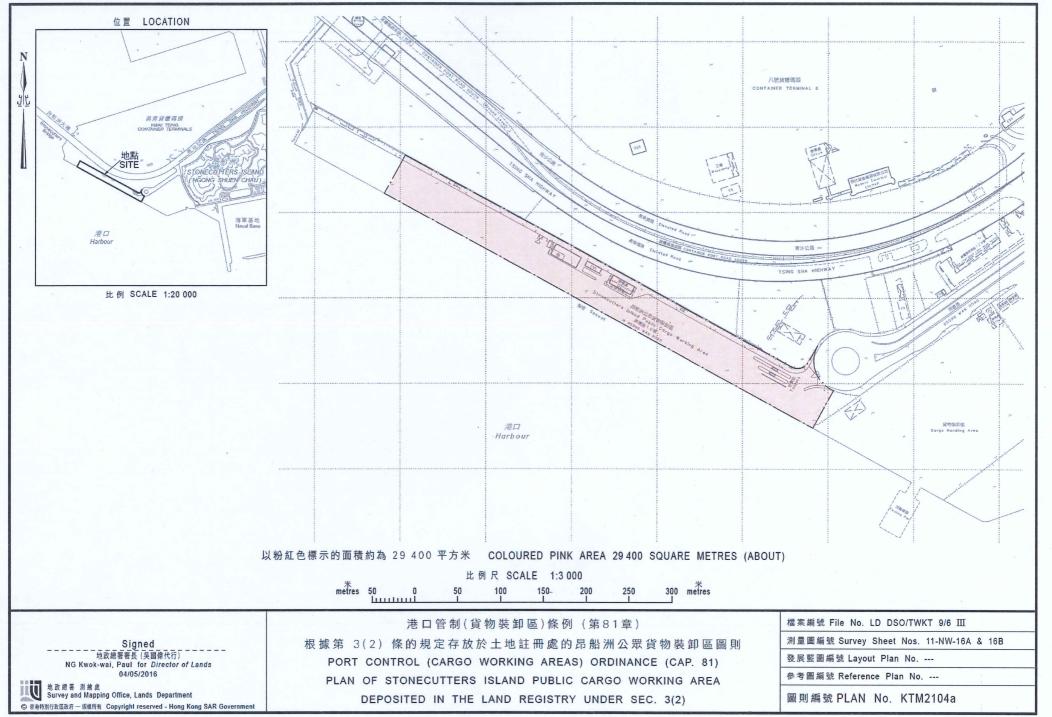
Stonecutters Island Public Cargo Working Area Berth Location Plan



Annex D



Annex F



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