

**For discussion  
7 December 2018**

**Legislative Council Panel on Transport  
Subcommittee on Matters Relating to Railways  
Operation of the Hong Kong Section of  
the Guangzhou-Shenzhen-Hong Kong Express Rail Link**

**Purpose**

The Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (“XRL”) commenced operation on 23 September 2018. This paper aims to brief Members on the various operating issues after the commissioning of the XRL.

**Train service**

2. The XRL trains connect the West Kowloon Station (“WKS”) with 44 Mainland destinations, including six short-haul destinations and 38 long-haul destinations. As regards the train schedule, in the light of the actual patronage and the market demand, there are currently 70 pairs of short-haul trains and 13 pairs of long-haul trains daily. As the passenger demand is relatively high during weekends, nine additional pairs of trains are arranged to run between the WKS and Futian from Fridays to Sundays since 26 October 2018 until end-February 2019. The train schedules for short-haul and long-haul trains are set out in **Table 1** and **Table 2** respectively.

Table 1: Daily schedule for short-haul trains for the XRL

<b>Destinations (as terminus stations)</b>	<b>Daily train pairs</b> <sup>Note 1</sup>
Futian	15 <sup>Note 2</sup>
Shenzhen North	25
Guangzhou South	30
<b>Total</b>	<b>70</b>

Note 1: Subject to the market demand, the train schedule can be suitably adjusted based on the actual patronage.

Note 2: There will be nine additional pairs of trains running between the WKS and Futian from Fridays to Sundays since 26 October 2018 until end-February 2019. The MTRCL and China Railway Corporation will closely monitor the passenger demand during festive seasons, and, if necessary, adjust the train frequency in a timely manner.

Table 2: Daily schedule for long-haul trains for the XRL

<b>Destinations (as terminus stations)</b>	<b>Daily train pairs</b>
<b>Destinations along the Beijing-Guangzhou Passenger Line, the Shanghai-Kunming Passenger Line and the Guizhou-Guangzhou Passenger Line</b>	
Beijing	1
Shanghai	1
Changsha	1
Kunming	1
<b>Destinations along the Hangzhou-Fuzhou-Shenzhen Passenger Line</b>	
Shantou	5
Xiamen	3
Fuzhou	1
<b>Total</b>	<b>13</b>

3. The MTR Corporation Limited (“MTRCL”) has been maintaining close communication with the China Railway Corporation (“CR”) in adjusting the train schedule according to passenger needs and train service arrangements, so as to meet the passenger demand. Subject to the actual operational circumstances, the CR will make adjustments and arrangements to the actual train schedule when necessary. Besides, the Mainland rail operator has deployed 16-car XRL trains to run most of the long-haul and short-haul trains to meet passenger demand.

4. The MTRCL will update the information on the train schedule at an appropriate time to provide clear train service information to passengers. Passengers may enquire or access the latest information on XRL train schedule through the Hong Kong ticketing website ([www.mtr.com.hk/highspeed](http://www.mtr.com.hk/highspeed)), the Hong Kong ticketing hotline (2120 0888), High Speed Rail App and the electronic display panels at the WKS.

### **Patronage**

5. The XRL has been operating smoothly since its commissioning on 23 September 2018. Passengers are also getting used to using the XRL as a cross-boundary transport mode. The MTRCL, as the operator of the XRL, will keep improving the various operating arrangements.

6. Since the commissioning of the WKS, the XRL has a total patronage of 3 402 013, comprising 1 642 078 outbound passengers and 1 759 935 inbound passengers, as at 29 November 2018. During this period, the average daily patronage for the XRL was 50 030 and the highest patronage for a day (5 October 2018) was 80 020. The ratio of Hong Kong residents and

non-Hong Kong residents among the passengers of the XRL is set out in **Table 3**. As at 15 November 2018, the XRL received a total of 470 tour groups, with total number passengers of 21 000, organised by local travel agents.

Table 3: Ratio of Hong Kong residents and non-Hong Kong residents among the passengers of the XRL

	Percentage over the number of inbound passengers	Percentage over the number of outbound passengers
Hong Kong residents	28%	32%
Non-Hong Kong residents (including Mainland passengers and passengers of other nationalities)	72%	68%

7. The XRL is a brand new cross-boundary transport mode for Hong Kong. Passengers need time to adapt to this new means of travelling. We cannot make a conclusive forecast on the long-term demand for the XRL just on the basis of the patronage and the proportion of Hong Kong passengers for around the first two months after the commissioning of the Hong Kong Section of the XRL. We trust that patronage will increase progressively with increasing number of passengers enjoying the convenient services of the XRL.

8. Upon the commissioning of the XRL, the average daily patronage of the MTR cross-boundary line (i.e. the East Rail Line to and from Lo Wu and Lok Ma Chau) and the Intercity Through Train (“ITT”) are 313 000 and 7 000 respectively, representing a year-on-year decrease of 1% and 28%. We note that while the overall patronage of the cross-boundary line has been boosted since the commissioning of the XRL, the impact on the ITT is more significant. The Government will closely monitor the patronage of the ITT and consider whether the service for the ITT should be adjusted in future.

9. The MTRCL will compile statistics on the purposes of travel (such as business or tourism) for the XRL in due course, with a view to further understanding passenger needs and providing more suitable services.

### **Ticketing arrangements**

10. Currently, passengers may purchase tickets for the Hong Kong Section of the XRL through the ticketing office and ticketing machines at the WKS, the Hong Kong ticketing website, the Hong Kong ticketing hotline and designated ticket agents. Each passenger may purchase a maximum of 30 single journey tickets each time from the WKS ticketing office and designated ticket agents, as

well as a maximum of eight single journey tickets from the WKS ticketing machines, the ticketing website and the ticketing hotline. Depending on the channel of ticket purchase, passengers may choose to pay by cash, electronic payment means (including credit card, China UnionPay card, Octopus card and Electronic Payment Services) or mobile payment means. When purchasing, collecting, altering and refunding the tickets, passengers are required to produce valid proof of identity as specified and have their identity authenticated before boarding the train.

11. To facilitate collection of tickets at the WKS by passengers who have bought tickets from the Mainland ticketing website (i.e. [www.12306.cn](http://www.12306.cn)), the MTRCL has installed eight 12306 Ticket Collection Machines at the WKS. Passengers who collect tickets using these self-service machines are not subject to service fees. The number of ticketing counters managed by the Mainland high-speed rail operator has also increased from five to ten to facilitate passengers purchasing, collecting, altering or refunding Mainland journey tickets. The MTRCL will closely monitor the passenger needs and provide additional self-service ticket collection machines and ticketing counters managed by the Mainland high-speed rail operator based on the demand.

12. Meanwhile, the CR is studying to enhance its Mainland ticketing system so that passengers from Hong Kong may register an account and purchase tickets at the Mainland ticketing website using an e-mail or a Mainland-registered mobile phone number. The MTRCL and the CR are also examining ways to tackle the policy and technical issues so that the ticketing systems of Hong Kong and the Mainland can interoperable with each other.

13. As part of the national high-speed rail network, the XRL offers concessionary tickets to students and children<sup>1</sup>. In addition, to attract more passengers to experience the convenient XRL services, the MTRCL and the Mainland operator will introduce fare concessions from time to time. For example, a fare discount of about 13%<sup>2</sup> is offered to passengers of selected train

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<sup>1</sup> Half-price children fares are offered to passengers whose height does not exceed 150 cm (every fare-paying adult passenger can travel with a child under the age of 18 whose height is under 120 cm for free on the XRL so long as the child does not take up a seat). Discounted tickets will be provided to Hong Kong students who are studying in tertiary institutes approved by the Ministry of Education. Eligible Hong Kong tertiary students studying in the Mainland are entitled to purchase four single-trip Second Class tickets at a 25% discount between the location of their education institutes and Hong Kong during the summer and winter holidays.

<sup>2</sup> The fares (Second Class) for the above selected train trips between the WKS and Humen, Qingsheng and Guangzhou South in renminbi (“RMB”) are RMB155, RMB161 and RMB187 respectively (such fares in Hong Kong Dollar (“HKD”) are HKD175, HKD182 and HKD211 respectively after conversion). The implemented fares (Second Class) for trains between the WKS and Humen, Qingsheng and Guangzhou South are RMB178, RMB185 and RMB215 respectively (such fares in HKD are HKD201, HKD209 and HKD243 respectively after conversion). The XRL fares are set in RMB with the HKD fares being adjusted monthly subject to the prevailing exchange rate. Adjusted HKD fares will be announced on the first day of every month. According to the current operating practice of high-speed train services in the Mainland, the Mainland railway operator will announce the “published fares” and “implemented fares” of the high-speed train routes. The “published fares”

trips running between the WKS and Humen, Qingsheng or Guangzhou South. The relevant fare concessions are borne by operators from both sides. The MTRCL is studying the feasibility of introducing other ticket type for the XRL with the Mainland operator to facilitate frequent travellers commuting between Hong Kong and the various short-haul destinations.

### **“Co-location” arrangement**

14. The Guangzhou-Shenzhen-Hong Kong Express Rail Link (Co-location) Ordinance came into effect on 4 September 2018. A Mainland Port Area (“MPA”) was then established to tie in with the commissioning of the XRL on 23 September 2018. The boundary of the MPA is clearly delineated in the WKS. Since the commissioning of the WKS, the “co-location” arrangement has been operating smoothly. Passengers departing from and arriving at Hong Kong can enjoy a convenient experience of completing the clearance procedures of both Hong Kong and Mainland sides at the WKS.

### **Financial position**

15. The patronage of the XRL has been increasing progressively since its commencement of operation, bringing in stable fare revenues to the MTRCL. As explained the matter in detail when the operating arrangements for the XRL was announced on 23 August 2018, since the XRL is a brand new cross-boundary transport mode, for the purpose of ensuring the financial stability of the operation of the XRL, the Government, the Kowloon-Canton Railway Corporation (“KCRC”) and the MTRCL have adopted a more prudent daily patronage forecast for the XRL in the business case (including the Patronage Cap-and-Collar Mechanism) for the Supplemental Service Concession Agreement than the Government’s earlier forecast (i.e. an average daily patronage of 80 100 at the initial commissioning stage). Since the commissioning of the XRL, the patronage has never touched the lower limit under the Patronage Cap-and-Collar Mechanism as set out in the Supplemental Service Concession Agreement.

16. Furthermore, to provide enhanced services and facilitate passengers, a wide variety of more than 30 shops which suit the needs of visitors can be found even in the early stage of commissioning of the WKS, such as duty free shops, catering outlets, souvenir and retail shops, convenience stores, bakeries, travel

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refer to the maximum fare that can be collected for a particular route. Nevertheless, generally speaking, the actual fares of the high-speed train services in the Mainland are market-oriented. The Mainland railway operator will take into account time-varying patronage situation and demand for seats of different classes when setting fare levels that are acceptable by the passengers (i.e. market pricing). Certain discounts will be offered to the “published fares” and the discounted fares are referred to as the “implemented fares”. Passengers will pay the “implemented fares” when they purchase the tickets.

agents, banks and financial service providers. They generate stable non-fare revenues to the MTRCL. Overall, the financial position after the commissioning of the XRL has been satisfactory. There is no need for the Government or the KCRC to provide subsidies.

### **Railway safety**

17. Railway safety is of paramount importance. The Government signed an amendment agreement to the Operating Agreement with the MTRCL, requiring the latter to design, construct, operate and maintain the XRL trains and its railway system in a safe manner at all times. The MTRCL is also required to provide an adequate number of qualified staff to operate the XRL, whereas the Electrical and Mechanical Services Department (“EMSD”) has been empowered to inspect the MTRCL’s training and qualification system, inspect the driver licence of the train drivers of the MTRCL, and their driving performance. Separately, the MTRCL will also monitor the driving performance of train drivers regularly and has devised mechanisms to enforce against drink driving and drug driving. If an accident happens, or where there are reasonable grounds for suspicion, EMSD can carry out alcohol and/or drug test of train drivers of the MTRCL. The XRL has been in safe operation since its commissioning.

### **Publicity and promotion**

18. The XRL is a new transport experience to local passengers. The MTRCL will continue to actively promote the XRL to the public. Apart from promoting the XRL services through various publicity channels, including TV commercials, short video, print ads and online advertising, the MTRCL also endeavours to recommend tourist spots at the destinations to promote travelling by the XRL. In addition, the MTRCL and the tourism industry has been cooperating to explore business in tour groups and individual visits. For example, the MTRCL organised various experience tours for the industry to learn about the services and advantages of XRL services so as to further promote tour groups using the XRL. Apart from tour groups, individual visitors may purchase XRL tickets or related travel products from 18 appointed local travel agents.

19. For overseas market, as a pilot scheme, the MTRCL recently appointed a Taiwan travel agent as its ticket agent to sell XRL tickets in Taiwan. The MTRCL also collaborates with the Hong Kong Tourism Board, Kai Tak Cruise Terminal and other travel agents to promote “High Speed Rail plus Cruise Holiday to Hong Kong” as a travel mode to Mainland travel agents, so as to act in concert with the growing cruise business in Hong Kong to open up the Mainland tourism market. The MTRCL will promote the XRL as a convenient

way of business travel between Hong Kong and Mainland to business travelers in Hong Kong, Mainland and overseas through joining events and exhibitions organised by the Hong Kong Trade Development Council and other media.

## **Conclusion**

20. As the operator of the XRL, the MTRCL will endeavour to ensure the smooth operation and healthy financial position of the railway line. The MTRCL will continue to solicit passengers' views on the XRL services and the facilities at the WKS through different channels (such as conducting questionnaires at stations and providing an Online Feedback Form) as well as communication with various stakeholders and organisations, and actively improve and enhance the travel experience of passengers.

21. Members are invited to note the above contents on the operation of the XRL.

**Transport and Housing Bureau  
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