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5 October 2005

Secretary for the Environment, Transport and Works  
(Attn : Ms Annie CHOI)  
Environment, Transport and Works Bureau (Transport Branch)  
16<sup>th</sup> floor, Murray Building  
Garden Road  
Central  
Hong Kong

Dear Ms CHOI,

**Subcommittee to Study  
Tate's Cairn Tunnel Ordinance (Replacement of Schedule) Notice 2005 and  
Tai Lam Tunnel and Yuen Long Approach Road Ordinance  
(Replacement of Schedule 1) Notice 2005**

**Follow-up to the meeting on 5 October 2005**

On the instruction of the Chairman of the Subcommittee, I write to invite the Administration to provide a written response to the following issues raised at the meeting held this morning.

On the three undertakings made by the then Secretary for Transport (S for T) during the resumption of the Second Reading debate on the Tai Lam Tunnel and Yuen Long Approach Road Bill on 24 May 1995, members of the Subcommittee have noted the Administration's view that the assurances given by the then S for T were to some extent not consistent with the provisions of the Project Agreement and the Tai Lam Tunnel and Yuen Long Approach Road Ordinance, and the Administration finds it impracticable to implement the assurances in the manner suggested by the then S for T. Whilst appreciating the need to comply with the relevant provisions of the Project Agreement and the Ordinance, members consider it important for the Administration to seek to enhance the transparency of the franchisee's financial position and performance, and work out a long term solution to address the problems caused by the current toll adjustment mechanism and under-utilization of Route 3 so as to ensure protection of the interests of the public. Members have therefore requested the Administration to take the following actions:

- (a) To continue to liaise with the franchisee of Route 3 with a view to fulfilling the undertakings made by the then S for T as far as practicable; and
- (b) To report to the LegCo Panel on Transport by the end of 2005 on the progress of the Administration's discussion with the franchisee of Route 3 various possible measures to enhance the utilization of Route 3 and the idea of extension of its franchise.

On the instruction of the Chairman, the Administration is invited to provide its written response as early as possible so that the response could be incorporated in the Subcommittee's report to be issued to all members of the House Committee on 12 October 2005 (two days before the House Committee meeting on 14 October 2005). Given the tight timeframe, I should be grateful if the Administration would let me have its written response (in both Chinese and English) **on or before 7 October 2005**. Please forward the soft copy of the written response to Ms May LEUNG at [mleung@legco.gov.hk](mailto:mleung@legco.gov.hk).

Yours sincerely,

(Miss Salumi CHAN)  
Clerk to Subcommittee

c.c. Hon LAU Kong-wah, JP (Chairman)