

**For discussion  
on 24 January 2005**

**Legislative Council Panel on Economic Services**

**172IC - Fitting-out works for Customs, Immigration  
and Quarantine Facilities  
at the SkyPlaza of the Hong Kong International Airport**

**Introduction**

Members' views are sought on the Government's plan to upgrade 172IC - Fitting-out works for customs, immigration and quarantine facilities (CIQ facilities) at the SkyPlaza of the Hong Kong International Airport (see location plan at Annex A) to Category A.

Annex A

**Proposal and Justifications**

2. Since the opening of the Hong Kong International Airport at Chek Lap Kok, the Airport Authority (AA) has been constantly reviewing the planning needs to meet forecast growth at the Airport. AA's latest review in 2003 concluded that due to faster than expected growth in air traffic and unforeseen upward trends of passenger throughput, some of the existing passenger processing facilities including departure kerb, bus and coach facilities and airline check-in counters would operate near capacity during peak periods starting from around 2005. The details are as follows—

- (i) departure kerb – in the original Master Plan drawn up in 1991, it was estimated that 43% of the users of the Passenger Terminal Building (PTB) would arrive by rail and the rest by road transport. The actual modal split in 2002-03 was 19% by rail and 81% by road. This has led to capacity shortage in ground transportation facilities, particularly the departure kerb outside the PTB. AA has examined options for extending the kerb length, but they are costly and of limited effect;
- (ii) bus and coach facilities – at present, about 7% of air passengers use cross-boundary coaches to commute between the airport and the Mainland. This type of traffic was not envisaged in the design of

the airport and there is no permanent passenger handling and coach staging facilities for them. Such passengers are set to further increase with the opening of Disneyland and the Hong Kong-Zhuhai-Macau Bridge. There is an urgent need to provide passenger handling facilities and additional coach staging area in the vicinity of the PTB; and

- (iii) check-in counters – the demand for check-in counters has grown faster than originally planned, mostly as a result of the overall accelerated growth in traffic. There is still some spare check-in capacity in the existing PTB, but AA envisages that additional check-in facilities would be required as we continue to expand our aviation network and attract more airlines to the airport.

3. A summary of the existing facilities and the estimated demand for facilities in 2005 and 2010 is set out at Annex B.

Annex B

4. To handle the increasing number of passengers at the Airport, AA has started to construct a second passenger terminal building called the SkyPlaza. The SkyPlaza will initially include a new departure hall, 56 airline check-in counters, ground transportation facilities and some retail and office accommodation. On full development, AA envisages that the SkyPlaza will become an inter-modal transportation node, providing integrated transit services to passengers of air, land and sea transport. As an integral part of this facility, the Government would provide CIQ facilities to be manned by the Customs and Excise Department, the Immigration Department, the Hong Kong Police Force and the Department of Health. We need to fit out the Government accommodation required by these Government departments.

### **Project Scope**

5. The scope of the proposed Government capital works project covers design and fitting-out works for the CIQ facilities in the SkyPlaza. The works involve a construction floor area of 2 000 square metres (m<sup>2</sup>) or a net operational floor area of 992 m<sup>2</sup>, with the following facilities –

#### **(i) Customs and Excise Department**

- four search rooms, an observation room, offices, two changing rooms and a computer server room ;

**(ii) Immigration Department**

- three interview rooms, a search room, a briefing room, a resilience room, a closed circuit television control room, offices, a security lockers room, four locker and changing rooms, two standby rooms, a computer server room, and a store room;

**(iii) Hong Kong Police Force**

- a report centre, three interview/search rooms, an observation room, a briefing room, an operational duty room, offices, a changing room, a strong room, two computer equipment rooms, two equipment rooms and a store room;

**(iv) Department of Health**

- a consultation room, a waiting area, an isolation room and a store room; and

**(v) Other Government departments, including Civil Aviation Department, Agriculture, Fisheries and Conservation Department and Information Services Department**

- display fixtures to facilitate delivery of various border crossing control and essential information to the public.

**Public Consultation**

6. AA has consulted the relevant parties involved in the SkyPlaza development including the Airline Operators Committees and the Travel Industry Council of Hong Kong. They supported AA's SkyPlaza project and its plan to improve CIQ services for passengers by integrating air, land and sea transports within the SkyPlaza.

## Financial Implications

7. We estimate the capital cost of the project to be \$40.7 million in money-of-the-day (MOD) prices, made up as follows –

	<b>\$ million</b>	
(i) Building works	8.7	
(ii) Building services	8.5	
(iii) Furniture and equipment <sup>1</sup>	17.4	
(iv) Entrustment fees for the design and fitting-out works <sup>2</sup>	2.8	
(v) Contingencies	3.7	
	Sub-total	41.1 (in September 2004 prices)
(vi) Provision for price adjustment <sup>3</sup>	(0.4)	
	Total	40.7 (in MOD prices)

8. Subject to the views of the Panel on Economic Services, we intend to submit the project to the Public Works Subcommittee and the Finance Committee of the Legislative Council on 16 February 2005 and 4 March 2005 respectively for upgrading the project to Category A. Subject to funding approval, we plan to entrust the works under 172IC to AA for inclusion in their SkyPlaza development construction contract in early 2005 for better integration and efficiency. The work is scheduled to start in June 2005 for completion in July 2006.

Economic Development and Labour Bureau  
14 January 2005

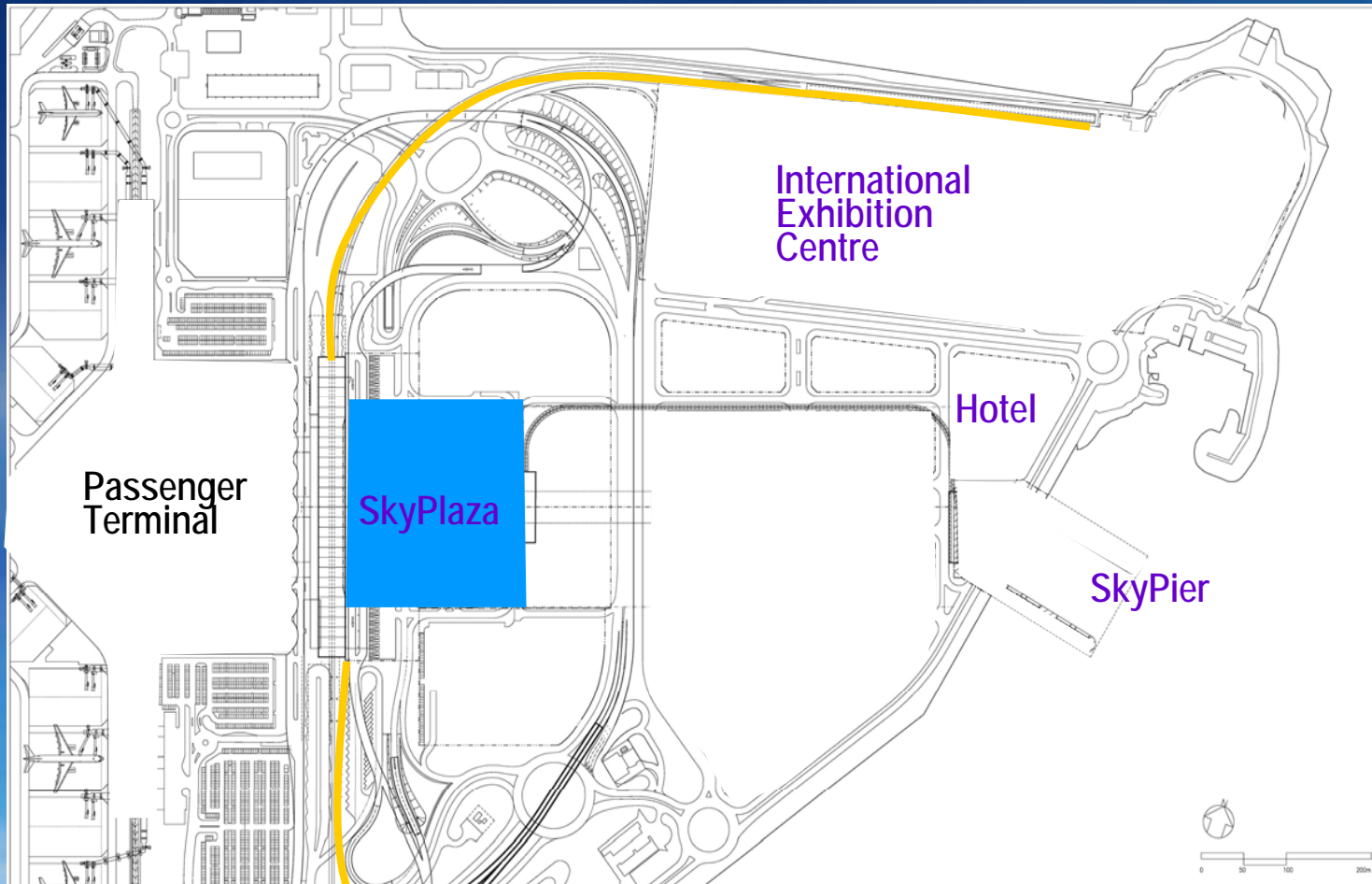
---

<sup>1</sup> Based on an indicative list of F&E items and their estimated prices.

<sup>2</sup> Subject to further negotiation with AA, entrustment fees estimated at 16% of the value of the entrusted works will be payable to AA for carrying out the entrusted design and fitting-out works for the CIQ facilities.

<sup>3</sup> From time to time, the Economic Analysis Division forecasts the trend movement of price deflator for public sector building and construction output over the medium term.

# SkyPlaza



SkyCity

### Summary of Facilities Required

<b>Element</b>	<b>Year 2004</b>	<b>Year 2005</b>		<b>Year 2010</b>	
	<i>Existing</i>	<i>Estimated demand</i>	<i>Addition</i>	<i>Estimated demand</i>	<i>Total addition</i>
Departures Kerb Length (m)	600	620	<b>20</b>	720	<b>120</b>
Check-In Desks	288	306	<b>18</b>	324	<b>36</b>
Franchise Bus Bays	17	18	<b>1</b>	20	<b>3</b>
Tour Coach Lounge (m <sup>2</sup> )	0	600	<b>600</b>	770	<b>770</b>
Mainland Coach Lounge (m <sup>2</sup> )	300	550	<b>250</b>	625	<b>325</b>