

Legislative Council Panel on Transport

2005-06 Policy Agenda

Transport-related Policy Initiatives of the Environment, Transport and Works Bureau

Introduction

The 2005-06 Policy Agenda just issued sets out the Government's new and on-going initiatives. This note elaborates those initiatives that are relevant to the transport portfolio of the Environment, Transport and Works Bureau.

2005-06 Policy Agenda – New Initiative

Effective Governance

Introduce a voluntary registration scheme for vehicle mechanics to enhance the standard of the vehicle maintenance trade

A descriptive account of the initiative

2. Proper maintenance of motor vehicles is an effective means to prevent road accidents and reduce traffic congestion caused by vehicle breakdown. It can also reduce air pollution caused by motor vehicles, and help improve air quality to the benefit of the public. It can also mean less trouble for motor vehicle owners. For these reasons, we consider it necessary to enhance the standard of the motor vehicle maintenance trade through a registration scheme for vehicle mechanics.

3. We will adopt an incremental approach by first launching a voluntary registration scheme in 2006. This will facilitate early implementation of the scheme and minimize the impact on the trade. We are now working on the details of the voluntary registration scheme. We will review the results of the voluntary scheme in 2008 and decide how a mandatory scheme could be introduced.

2005-06 Policy Agenda – On-going initiatives

Vibrant Economy

Pursuing the preparatory work for the Hong Kong-Zhuhai-Macao Bridge, including commencing the conceptual design of the Bridge

Progress Made/Present Position

4. The advance work for the Hong Kong-Zhuhai-Macao Bridge (HZMB) is progressing well. The HZMB Advance Work Co-ordination Group (AWCG) set up by the three governments of Hong Kong, Guangdong and Macao has already reached agreement on the alignment and landing points of the HZMB. The agreed alignment, known as the northern bridge-cum-tunnel alignment, will land in Northwest Lantau near the San Shek Wan headland on the east, and in Gongbei of Zhuhai and A Pérola of Macao on the west.

5. Meanwhile, the feasibility study for the HZMB has been substantially completed. The study covers over 20 topical studies including assessments on the environment, hydrology, traffic, marine, wind speed, etc. The AWCG is now deliberating the findings of the feasibility study, and is mapping out the actions that should be taken in the next stage of work. In addition, the AWCG is planning to invite

expressions of interest for the HZMB so as to gauge market interest in the project, and is making preparation for the project's conceptual design.

6. On another front, upon agreement on the landing points of HZMB, we have been making good progress with the investigation and preliminary design study for the section of the HZMB within Hong Kong and the North Lantau Highway Connection that will connect the bridge to the local transport network in Hong Kong. The objective of the study is to determine a preferred alignment and to carry out various impact assessments including assessments on traffic, the environment, etc. We are now evaluating the short-listed alignment options for the North Lantau Highway Connection.

Considering Kowloon-Canton Railway Corporation (KCRC)'s study report on the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (ERL) and discussing with the Mainland authorities concerned the best way to proceed with the project

Progress Made/Present Position

7. The Joint Expert Group set up by the Mainland authorities and the Hong Kong SAR Government has reached consensus regarding the alignment of the Mainland section of the ERL and the major technical standards. The Mainland section will start from Shibi in Guangzhou, pass through Humen in Dongguan and Longhua in Shenzhen, and then cross the boundary through Huanggang into Hong Kong. The proposed Mainland section will also cater for the Guangzhou-Shenzhen axis of the Pearl River Delta Rapid Transit System, and will be connected to the Wuhan-Guangzhou Passenger Line.

8. On Hong Kong's side, we are considering the use of the West Rail and the proposed Northern Link to form the Hong Kong section of the ERL. We are now considering the feasibility study report submitted by KCRC in July this year.

9. We understand that the Mainland side has indicated that they would strive to start the construction works for the section from Shibi to Longhua as soon as possible, and would construct the remaining section from Longhua to the boundary to tie in with the project programme of the Hong Kong section. We will strengthen our communication and coordination with the Mainland authorities in respect of the planning and design of the stations so that the new rail will meet the needs of Hong Kong passengers and serve well as a strategic transport link.

Continuing discussion with the MTR Corporation Limited and the KCRC on a possible merger

Progress Made/Present Position

10. The merger discussions have reached the final stage. The discussions are conducted on the basis of the following five key parameters set by the Government –

- (a) adoption of a more objective and transparent fare adjustment mechanism;
- (b) abolition of the second boarding charge and review of the fare structure with the objective of reducing fares;
- (c) early resolution of interchange arrangements for new rail projects under planning, notably the Shatin to Central Link;
- (d) ensuring job security for frontline staff at the time of the merger; and
- (e) provision of seamless interchange arrangements in the long run.

11. In order to achieve a “win-win” situation, it is important to strike a balance between the interest of the public on the one hand and the interest of the minority shareholders of the MTR Corporation Limited (MTRCL) on the other. In conjunction with the Financial Services and the Treasury Bureau, we are finalizing the negotiation with MTRCL on the transaction terms for the merger. We hope that the negotiation can be completed as soon as possible. An announcement of the outcome of the negotiation would be made once available.

Continuing to actively pursue the planning of various proposed railway projects giving careful consideration to changing community needs. The work includes planning the Shatin to Central Link, Northern Link and West Island Line, and assessing the viability of the South Island Line

Progress Made/Present Position

Shatin to Central Link (SCL)

12. We are examining the SCL proposal of KCRC and the proposed SCL Scheme in the joint report submitted by MTRCL and KCRC on their assessment of the feasibility of a merger. We will make a decision on the way forward for the SCL as soon as possible.

Northern Link (NOL)

13. KCRC submitted to the Government a project proposal for the NOL in June this year. We are assessing the submission including the costs, economic benefits, and the transport and financial performance of the proposed project, as well as its impact on the environment and the mitigation measures proposed.

West Hong Kong Island Line (WIL) and South Island Line (SIL)

14. At the request of the Government, MTRCL is proceeding with the preliminary planning and design of and the environmental impact assessment study for the proposed WIL. In planning and designing this rail link, MTRCL and the Government will consult the public so as to formulate a railway scheme that will best serve the community. We hope that we can reach early agreement with MTRCL on the scope, cost and implementation programme for the WIL so that the project can be taken forward.

15. As regards the SIL, we will consider its way forward taking into account the results of the review on the planning of tourism and commercial developments in Southern District, due to be completed by Planning Department by the end of this year, and the Government's consideration of Ocean Park's Redevelopment Plans. We will review the economic and transport performance of the project and assess the funding support required by the SIL. In addition, we will take into account the project's impact on the operation of the non-rail public transport trade. To this end, we will carry out an impact assessment. We will consider various factors in deciding the way forward for the SIL.

Continuing to monitor the progress of the Lok Ma Chau Spur Line and the Kowloon Southern Link for timely commissioning in 2007 and 2009 respectively

Progress Made/Present Position

Lok Ma Chau Spur Line

16. The construction works for the Spur Line started in end 2002 and are on schedule for target completion by 2007. Regarding the Passenger Bridge linking the Spur Line Terminus at Lok Ma Chau and the Shenzhen

Metro, which the HKSAR Government is building jointly with the Shenzhen Municipal People's Government (SMPG), we have entrusted the construction works to SMPG for better coordination. The works began in end 2003 with completion scheduled for 2007 to tie in with the commissioning of the Spur Line. As regards the provision of a public transport interchange (PTI) at the Lok Ma Chau Terminus, the design and construction of the PTI have been entrusted to KCRC for better works interface between the Spur Line Terminus and the PTI. The PTI works are scheduled for completion by 2007 to tie in with the commissioning of the Spur Line.

Kowloon Southern Link (KSL)

17. The KSL Scheme was authorized under the Railways Ordinance in June this year. The works have now started for completion in 2009.

Continuing to monitor the construction of the Hong Kong section of the Hong Kong-Shenzhen Western Corridor and Deep Bay Link for timely completion by end 2005 and subsequent commissioning in 2006 to tie in with the completion of the boundary-crossing facility at Shekou

Progress Made/Present Position

18. Construction works for the Deep Bay Link and the Hong Kong section of the Hong Kong-Shenzhen Western Corridor commenced in June and August 2003 respectively and are progressing smoothly. Both projects are scheduled for completion by the end of this year and for subsequent commissioning in 2006 to tie in with the completion of the boundary-crossing facility at Shenzhen Bay Port.

Reviewing the existing cross-boundary vehicle quota system with a view to further facilitating vehicular movement across the boundary, in anticipation of the commissioning of the Hong Kong-Shenzhen Western Corridor

Progress Made/Present Position

19. We are discussing with the Guangdong authorities and would reach agreement on appropriate regulatory arrangements before the commissioning of the Hong Kong-Shenzhen Western Corridor.

Continuing to consider measures to regulate traffic including fiscal and traffic management means with a view to reducing congestion along major transport corridors and to consult the community on the proposals

Progress Made/Present Position

20. We will continue to explore all possible measures, including the idea of Electronic Road Pricing (ERP), to improve the traffic flow along major transport corridors. In the coming years, we will continue to work on the planning for ERP on various fronts. We will refine our previous traffic models with up-to-date traffic data, carry out sensitivity tests on various charging scenarios, keep in view the technological developments and make reference to successful experiences in other places. However, we need to emphasize that the ERP scheme can only be implemented when the Central-Wanchai Bypass has been in place. This is important because there must be an alternative route with adequate capacity for motorists to bypass the charging zone before an equitable and effective ERP scheme can be launched. We will consult the community before making any decision on the introduction of ERP.

Implementing improvement measures by phases to better co-ordinate the change in non-franchised bus services with demand and to enhance regulation of their operation

Progress Made/Present Position

21. At the invitation of the Government, the Transport Advisory Committee (TAC) completed a review in July 2004 and made recommendations for addressing the concerns of the non-franchised bus (NFB) trade and other public transport operators regarding the over-supply of NFBs and the problem of unauthorised NFB services in recent years. Having carefully considered TAC's recommendations and consulted the NFB trade, the Government briefed the Legislative Council Panel on Transport on 2 February and 1 March this year on the proposed measures to be implemented. We have since then consulted the NFB trade on the implementation details. Measures to better co-ordinate the change in NFB services with demand have been put in place since 1 April this year. Other measures to improve regulation of NFB operation, including revising the conditions of the passenger service licences, will be implemented in phases starting from 1 November this year after due consultation with the NFB trade.

Caring and Just Society

Discussing with the franchised bus companies to develop a more objective and transparent process for fare adjustment with a view to implementing the new mechanism in 2006

Progress Made/Present Position

22. We are actively discussing details of the proposed fare adjustment mechanism with the franchised bus operators and plan to announce the details by the end of this year. The purpose is to improve

the existing adjustment mechanism of bus fares by introducing a formula factor so that prevailing economic conditions and operating costs of the bus companies could be reflected more objectively in the mechanism. The new mechanism would allow reduction as well as increase in bus fares, take into account public affordability and bring in a more transparent adjustment process. We will brief the Legislative Council Panel on Transport on the proposal when the mechanism has been formulated.

Environmentally Responsible Development

Promoting the use of environmentally friendly buses by adding a provision in new bus franchises on the adoption of the latest commercially available and proven environmentally friendly technologies for acquiring new buses; encouraging bus companies to deploy cleaner vehicles along busy corridors; and including the provision of environmentally friendly measures as appropriate as a criterion in selecting operators for new bus route packages

Progress Made/Present Position

23. We have added a new provision in the franchises of Citybus Limited (North Lantau and Airport bus network), Long Win Bus Company Limited and New World First Bus Services Limited, which took effect in mid-2003. This provision requires them to adopt the latest commercially available and proven environmental protection technology in setting specifications for acquiring new buses. It is our plan to insert similar provisions in new franchises to be granted in the future.

24. We are working with franchised bus operators to promote the deployment of more environmentally friendly buses on busy corridors.

By August this year, all buses running on Yee Wo Street and over 80% of buses operating on Hennessy Road, Queensway, Des Voeux Road Central and Nathan Road are of Euro II and above standards.

25. We will also continue to adopt the provision of environmentally friendly measures as one of the criteria in future exercises for selecting operators for new bus route packages.

2005 Policy Agenda

26. The progress of the initiatives included in the 2005 Policy Agenda are covered in the preceding paragraphs except for the following two items:

- (a) the Disneyland Resort Line – it was successfully completed and has been in service since 1 August this year; and
- (b) the new bridge at the Sha Tau Kok crossing – it was completed and has been opened to traffic since January this year.

Environment, Transport and Works Bureau

13 October 2005