

Legislative Council Panel on Economic Development
Development of a new cruise terminal at Kai Tak
Supplementary Note

Purpose

At the Panel meeting on 21 December 2007, when considering an update on the development of a new cruise terminal at Kai Tak, Members asked for supplementary information on allocation of berthing slots, measures to ensure reasonable and competitive berthing charges and composition of the Tender Assessment Panel. The requisite information is provided below.

Allocation of berthing slots

2. To ensure that the new cruise terminal will be open to all cruise operators, we have specified in the tender requirements that the operator should not restrict the berthing slots for use by a particular cruise operator or cruise operators only. In addition, we require tenderers to submit plans on arrangements for allocating berthing slots based on vessel assignment criteria normally adopted by the international cruise market, i.e. first-come-first-served, allocation by volume, homeport over port-of-call and long-term contract. The proposed arrangements will be evaluated by the Tender Assessment Panel, and those of the successful tenderer will be incorporated into the Service Agreement between Government and the successful tenderer.

Berthing charges

3. Berthing fees and charges will be set at market levels. To ensure transparency, we shall require the operator to publish schedules of standard fees and charges and any non-standard fee arrangements. This can facilitate the market to monitor the operation and fee levels of the new cruise terminal. With the supply of alternative berthing facilities locally and in the region, the operator will have to set the fees and charges at competitive levels. Moreover, the successful tenderer of the new cruise terminal is also required to develop a second berth three years after the Government makes such a request. The additional supply will

also relieve any pressure on charges as a result of increase in demand in future.

Tender Assessment Panel and its advisors

4. A Tender Assessment Panel, to be chaired by the Commissioner for Tourism and comprising senior representatives of the relevant Government bureaux and departments, will be established to assess bids submitted in response to the open tender for the new cruise terminal.

5. The Tender Assessment Panel will be underpinned by international experts appointed by the Tourism Commission and Civil Engineering and Development Department through open tender. We have also invited independent advisors to provide advice on specific aspects to the Tender Assessment Panel, as follows –

- (a) on tourism and marketing aspects: the Honourable Jeffrey Lam, Chairman of the LegCo Panel on Economic Development and Deputy Leader of the LegCo delegation who recently visited overseas cruise terminal facilities, and Mr. Anthony Lau, Executive Director of the Hong Kong Tourism Board; and
- (b) on architectural and engineering aspects: a member each nominated by the Hong Kong Institute of Architects and the Hong Kong Institution of Engineers.

These advisors will be appointed on an ad personam basis and required to follow necessary procedures for declaration of interests. In addition, the Independent Commission Against Corruption will participate in the assessment process as an observer.

Tourism Commission
Commerce and Economic Development Bureau
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