

**For information on
28 May 2012**

**Legislative Council Panel on Economic Development and
Legislative Council Panel on Commerce and Industry**

**The Trade & Industry, Tourism, Maritime,
Aviation and Logistics Policy Portfolios
under the Current Administration's Organisation Structure**

Purpose

This paper aims to set out those policy portfolios under the current Administration's organisation structure which will be placed under the purview of the proposed Commerce and Industries Bureau (CIB). The portfolios encompass the work currently undertaken by the Commerce and Economic Development Bureau (CEDB), and the Transport and Housing Bureau (THB).

Background

2. The organisation chart of the current Administration is at **Annex 1**. The CEDB is under the purview of the Financial Secretary while the THB is under the purview of the Chief Secretary for Administration.

3. The Commerce, Industry and Tourism Branch (CITB) of the CEDB is responsible for a wide range of policy areas, including external commercial relations, industry and business support, intellectual property protection, inward investment promotion, convention and exhibition services, tourism, consumer protection, promotion of competition, meteorological services, postal services, promotion of trade facilitation

measures, and wine business. The Tourism Commission (TC) under the CITB is tasked with formulating the strategy and policy for tourism development. The organisation chart of the CITB is at **Annex 2**.

4. The Transport Branch of the Transport and Housing Bureau (THB) is responsible for the formulation of policies on matters relating to Hong Kong's internal and external transport, including land transport, maritime transport, air transport and logistics, in order to provide a safe, reliable, efficient and environmentally friendly transport system. The organisation chart of Transport Branch of THB is at **Annex 3**.

Overview on Policy Portfolios

5. The proposed CIB will comprise the Trade and Industry Branch (TIB) and the Maritime, Aviation, Logistics and Tourism Branch (MALTB). The policy portfolios, which are suggested to be placed under the purview of TIB, under the current Administration's organisation structure are set out in the ensuing paragraphs.

6. In formulating policies on the promotion of trade in goods and services, CITB's main functions include encouraging Hong Kong's trading partners, through multilateral, regional and bilateral means, to remove barriers to trade as well as developing contacts with host governments and organizations through the eleven Overseas Economic and Trade Offices (ETOs), in order to further Hong Kong's trade and economic interests. At the same time, CITB introduces measures to enhance the long-term competitiveness of small and medium enterprises (SMEs) to develop Hong Kong as a competitive and knowledge-based economy. In order to foster our trade and investment ties with the Mainland, CITB develops strategies to support our businesses in seizing the opportunities created by the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) and the National 12th Five-Year Plan. It also formulates policies to attract external direct investment to Hong Kong, so as to promote the economic development of Hong Kong.

7. In addition, CITB also formulates policies on intellectual

property protection. Apart from overseeing efforts to promote awareness of intellectual property rights in the business sector, in particular SMEs, CITB ensures that the Copyright Ordinance will continue to meet the needs of Hong Kong. It will also take forward the review of the patent system. Moreover, CITB would also enhance consumer protection against unfair trade practices, so as to protect and promote the rights of our consumers when they acquire goods and services. In order to create an environment for fair competition, CITB has been pressing ahead with the implementation of the competition policy, and once the Competition Bill is passed, will begin preparatory work on the establishment of a Competition Commission and a Competition Tribunal.

8. The policy portfolios which are suggested to be placed under the purview of the MALT under the current Administration's organisation structure are set out below.

Tourism

9. The Government established the TC in May 1999 to formulate the policy and strategy for tourism development, allocate resources to implement various tourism initiatives and co-ordinate with different parties in promoting tourism development, including the planning of tourist attractions, overseeing the supply of hotels, liaison with international and regional tourism organisations, and liaison with the relevant Mainland authorities on issues involving the Mainland and Hong Kong, etc. The TC is also responsible for monitoring and assisting the Hong Kong Tourism Board (HKTB)'s operation. The HKTB is a statutory body formed under the Hong Kong Tourism Board Ordinance. Its primary responsibility is to market and promote Hong Kong as a tourism destination worldwide, and to maximise visitors' experience while in Hong Kong.

10. The Travel Agents Registry under the TC is responsible for administering the Travel Agents Ordinance, including processing application and renewal application for travel agent's licences, and inspecting the financial statements of over 1 600 licensed agents. To

promote the healthy and sustainable development of the tourism industry, the Government conducted a review of the operation and regulatory framework of the tourism sector last year and decided to set up an independent statutory body to take up the overall regulation of travel agents, tourist guides and tour escorts. The TC has commenced the drafting of the new legislation and other relevant work for the establishment of the statutory body.

Maritime, Logistics and Aviation

11. Under the Transport Branch of the Transport and Housing Bureau (THB), the aims of the programme area for Air and Sea Communications and Logistics Development are to maintain and further develop Hong Kong's position as a centre of international and regional aviation by ensuring continued compliance with relevant international obligations and standards, providing sufficient airport capacity to meet the demands and high standard of civil aviation management, and facilitating the continued development of air links to a wide range of destinations to meet the needs of the travelling public and shippers; maintain and further develop Hong Kong as an international shipping and maritime centre; promote shipping safety and ensure continued compliance with relevant international standards of ships registered in Hong Kong or registered elsewhere which visit our port; ensure that the port of Hong Kong is able to expand continuously so as to sustain Hong Kong's economic growth and meet the demands of trade; and strengthen the role of Hong Kong as the preferred international transportation and logistics hub in Asia.

Maritime and Logistics

12. The Port, Maritime and Logistics (PML) Division of THB (Transport Branch) is tasked with the objectives of formulating policies on matters relating to Hong Kong's role as an international maritime centre, a leading hub port, and a regional logistics hub. Responsibilities of the PML Division include formulating and implementing proposals and measures to promote Hong Kong's maritime, port and logistics services overseas and locally; overseeing legislative exercises relating to the marine and logistics portfolios and HKSAR's participation in the International Maritime Organization.

13. The PML Division also serves as Secretary to the Hong Kong Maritime Industry Council, the Hong Kong Port Development Council and the Hong Kong Logistics Development Council. These three Councils are chaired by the Secretary for Transport and Housing and provide a forum to foster a close working relationship between the public and private sectors in furthering the policy objectives in the respective areas. The Councils advise Government on policy proposals and on implementation of projects in a wide array of areas such as those covering physical and regulatory infrastructural developments, human resource development, the application of information technology, as well as marketing and promotion. The Councils hold promotion visits to overseas and the Mainland regularly.

14. The PML Division is also responsible for overseeing marine policy and handling housekeeping matters of the Marine Department in relation to resources allocation, manpower plans, and all other matters relevant to the discharge of the department's duties and the development of the maritime sector.

Civil Aviation

15. The Civil Aviation Division of THB (Transport Branch) is responsible for overseeing policy matters relating to civil aviation and airport development in Hong Kong. It takes charge of the housekeeping matters related to the operations of the Airport Authority Hong Kong (AAHK) and Civil Aviation Department. This Division is also responsible for the policy issues relating to the air service regime to safeguard Hong Kong as an international aviation hub. It takes charge of the management and negotiations of bilateral air services agreements and arrangements with aviation partners and also manage air transport related matters in this respect.

16. In addition, the Civil Aviation Division provides secretariat support to the Aviation Development Advisory Committee (ADAC) and Air Transport Licensing Authority (ATLA). The former is chaired by the Secretary for Transport and Housing which advises the Government on policy matters relating to civil aviation and airport development. The

ATLA is a statutory body responsible for considering applications from Hong Kong airlines for licences to operate scheduled air services. The Chairman and members of the ATLA are non-officials appointed by the Chief Executive. At present, the Division is actively making preparations for the implementation of the new regulatory regime for the ATLA.

Airport Expansion Coordination Office (AEPCO)

17. With the Financial Committee's endorsement of the staffing proposal on 25 May 2012, the AEPCO will be set up with effect from 1 July 2012 to oversee the work of AAHK and coordinate efforts of all relevant parties in taking forward the next stage of work relating to the proposed three-runway system. The organization chart incorporating the new AEPCO is at Annex 4.

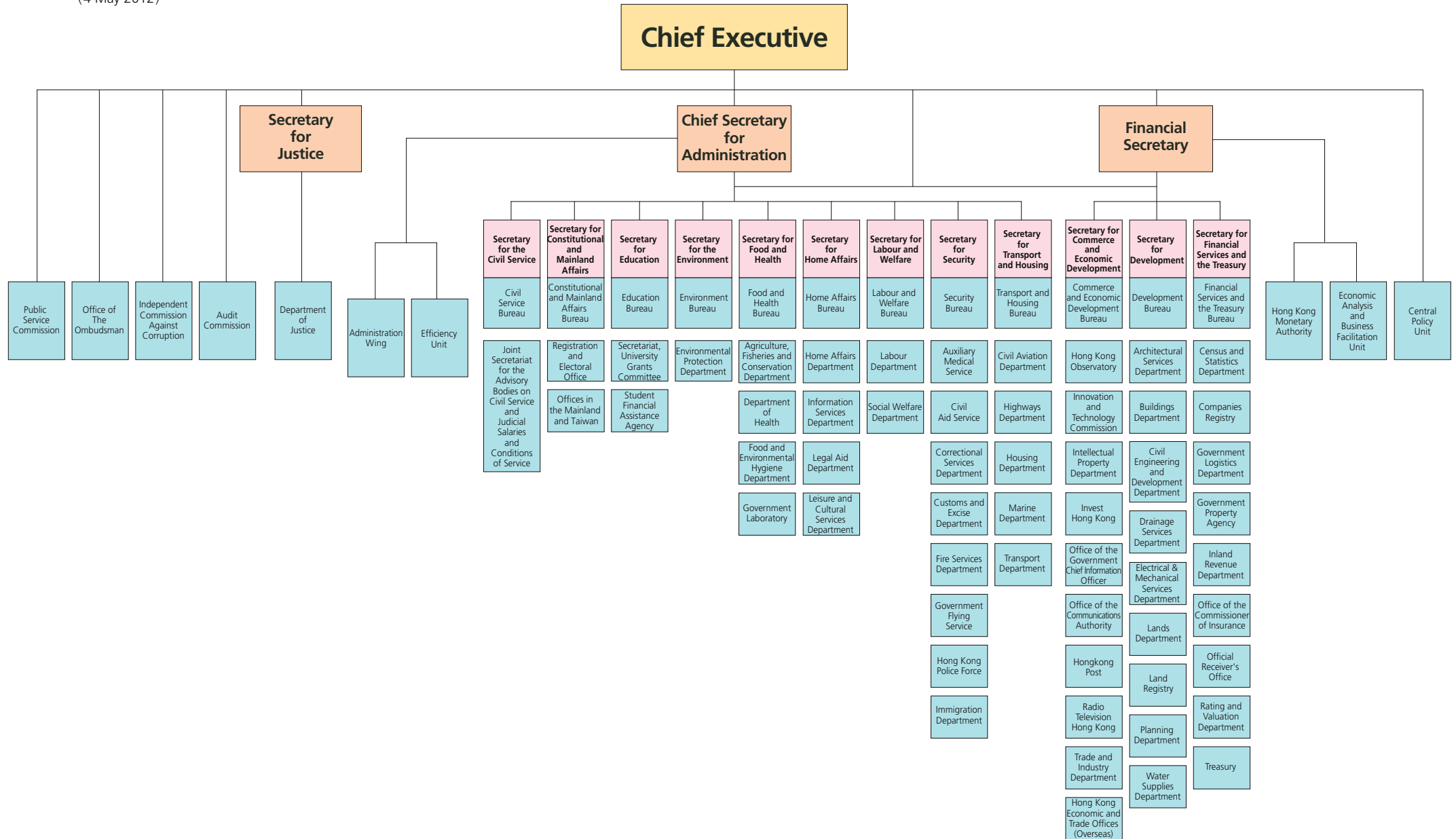
18. The scope of work of the AEPCO involves a host of engineering, funding and environmental issues, and the roles of the AEPCO include overseeing the conduct of the statutory environmental impact assessment and the preparation of the associated design details of the third runway project, engaging the public in respect of developing HKIA into a three-runway system, and formulating the financial arrangements. It will also provide secretariat support to a high-level steering committee which will be set up to steer major policy issues relating to the airport expansion project.

Commerce and Economic Development Bureau
Transport and Housing Bureau
26 May 2012

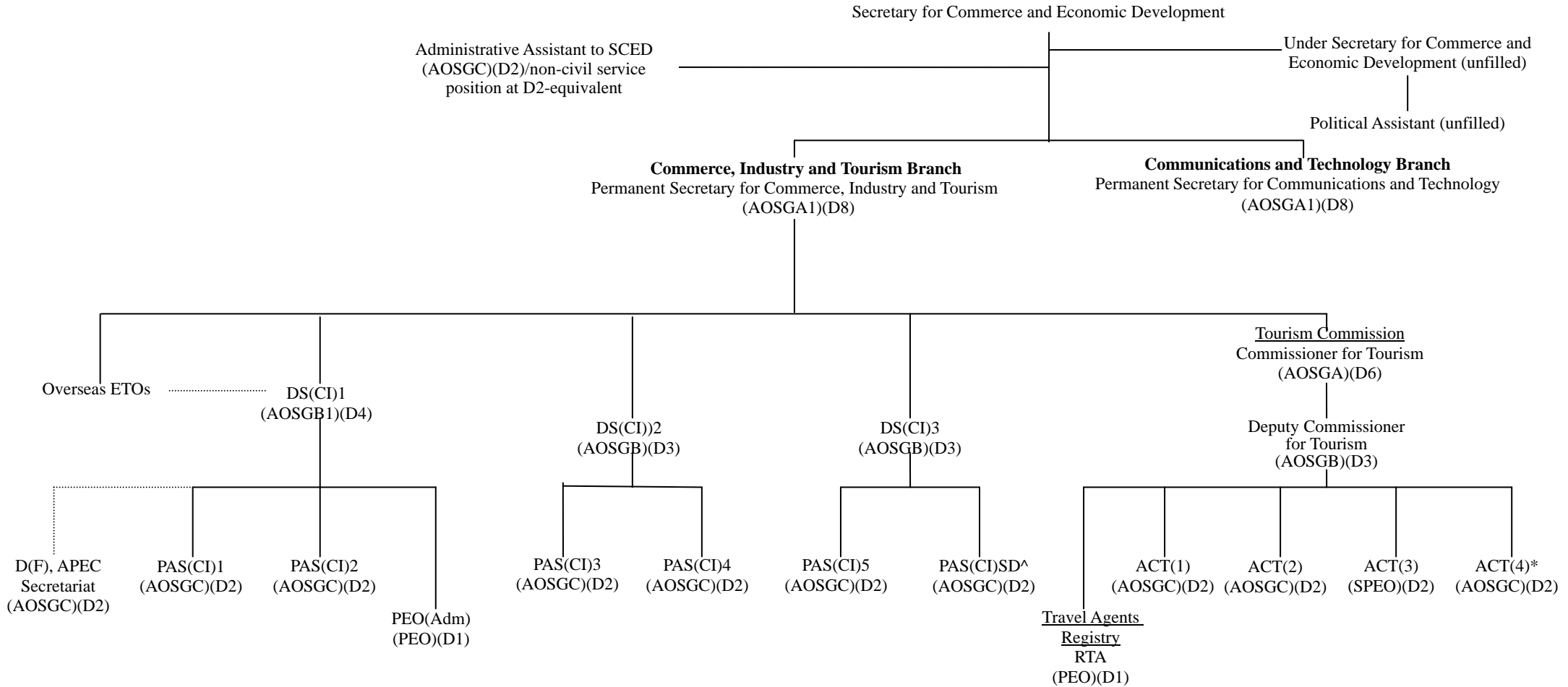


**ORGANISATION CHART OF
THE GOVERNMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION**

(4 May 2012)



Existing Organisation Chart of the Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)



Legend

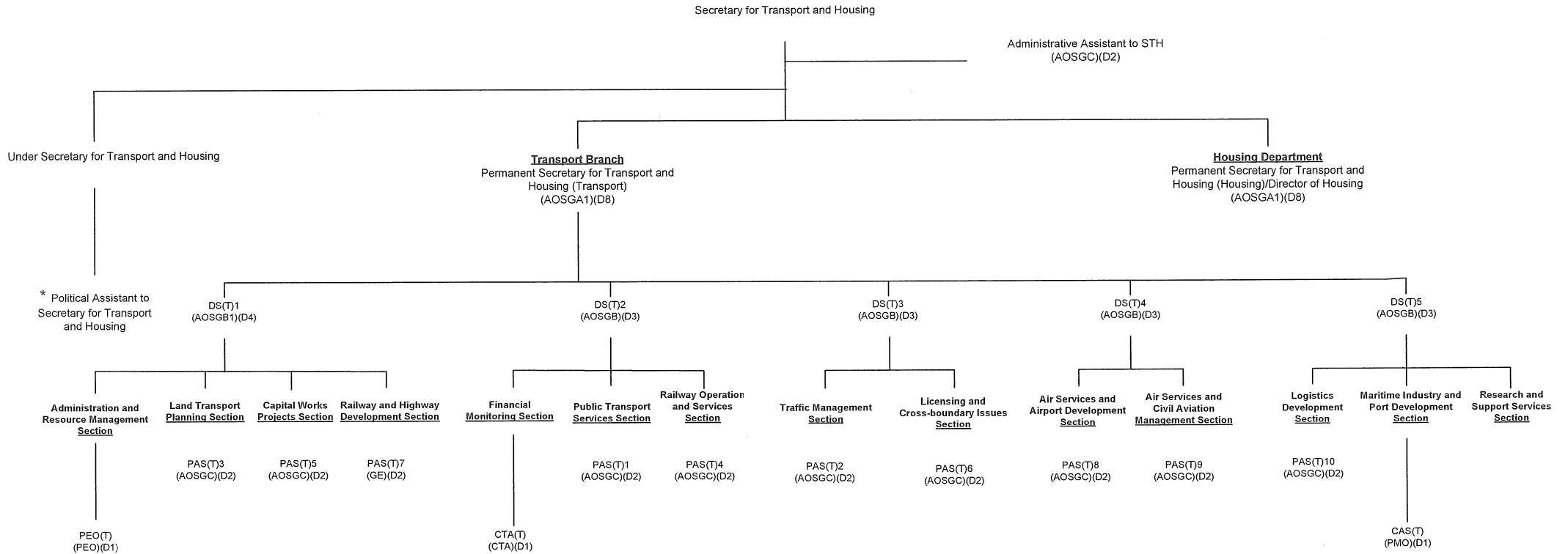
SCED Secretary for Commerce and Economic Development
 DS(CI) Deputy Secretary for Commerce and Industry
 PAS(CI) Principal Assistant Secretary (Commerce and Industry)
 AOSGA1 Administrative Officer Staff Grade A1
 AOSGA Administrative Officer Staff Grade A
 AOSGB1 Administrative Officer Staff Grade B1
 AOSGB Administrative Officer Staff Grade B
 AOSGC Administrative Officer Staff Grade C
 SPEO Senior Principal Executive Officer
 PEO Principal Executive Officer

ACT Assistant Commissioner for Tourism
 RTA Registrar of Travel Agents
 D(F) Director (Finance)
 APEC Asia-Pacific Economic Cooperation
 ETOs Economic and Trade Offices

*Supernumerary post created with LegCo's approval
 ^ Post on-loan from the Trade and Industry Department

Note: For the purpose of this exercise, only permanent posts and supernumerary posts created with LegCo's approval/to be created in the 2011-12 legislative session subject to LegCo's approval/under delegated authority for more than 6 months are featured.

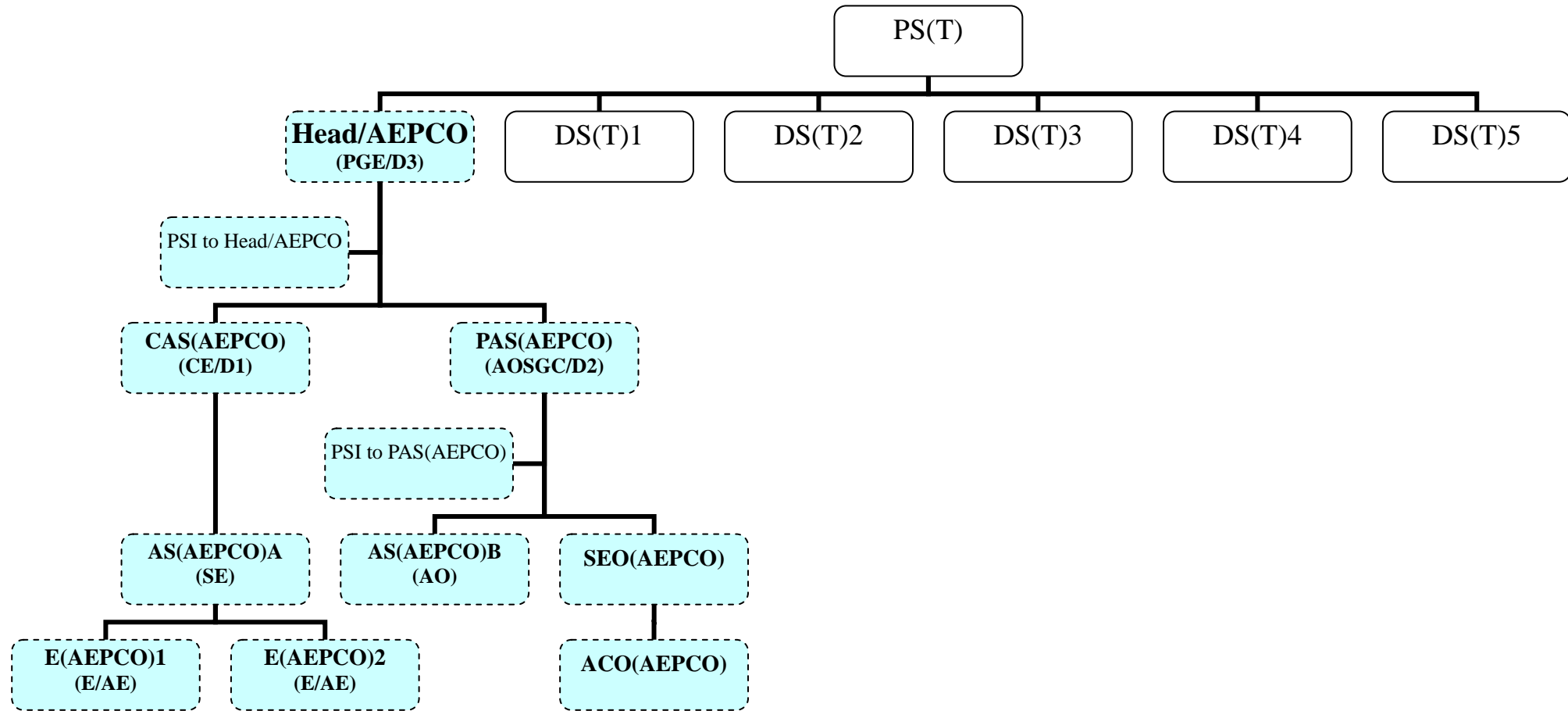
Existing Organisation Chart of the Transport and Housing Bureau (Transport Branch)



Legend

- STH - Secretary for Transport and Housing
- USTH - Under Secretary for Transport and Housing
- DS - Deputy Secretary for Transport and Housing
- PAS - Principal Assistant Secretary for Transport and Housing
- CAS - Chief Assistant Secretary for Transport and Housing
- AOSGA1 - Administrative Officer Staff Grade A1
- AOSGB1 - Administrative Officer Staff Grade B1
- AOSGB - Administrative Officer Staff Grade B
- AOSGC - Administrative Officer Staff Grade C
- GE - Government Engineer
- PEO - Principal Executive Officer
- CTA - Chief Treasury Accountant
- PMO - Principal Marine Officer
- T - Transport
- * - Position unfilled

Organisation chart of Airport Expansion Coordination Office



 : New division to be set up from 1 July 2012