

立法會
Legislative Council

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Panel on Economic Development and Panel on Environmental Affairs

**Minutes of joint meeting
held on Tuesday, 7 October 2014, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex**

Members present : Members of the Panel on Economic Development

- Hon Jeffrey LAM Kin-fung, GBS, JP (Deputy Chairman)
- Hon Andrew LEUNG Kwan-yuen, GBS, JP
- * Hon WONG Ting-kwong, SBS, JP
- Hon Ronny TONG Ka-wah, SC
- Dr Hon LAM Tai-fai, SBS, JP
- Hon Paul TSE Wai-chun, JP
- * Hon Albert CHAN Wai-yip
- * Hon Frankie YICK Chi-ming
- Hon YIU Si-wing
- * Hon Charles Peter MOK, JP
- * Hon Kenneth LEUNG
- * Hon Dennis KWOK
- Hon Christopher CHEUNG Wah-fung, SBS, JP
- Hon SIN Chung-kai, SBS, JP

Members of the Panel on Environmental Affairs

Hon Cyd HO, JP (Chairman)
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHAN Kin-por, BBS, JP
Hon Claudia MO
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Dr Hon Kenneth CHAN Ka-lok

* Also members of the Panel on Environmental Affairs

Members absent: Members of the Panel on Economic Development

Hon James TIEN Pei-chun, GBS, JP (Chairman)
Hon CHAN Kam-lam, SBS, JP
Dr Hon LEUNG Ka-lau
* Hon Steven HO Chun-yin
* Hon CHAN Han-pan, JP
Dr Hon Fernando CHEUNG Chiu-hung
* Dr Hon Elizabeth QUAT, JP
Hon TANG Ka-piu, JP
Hon CHUNG Kwok-pan

Members of the Panel on Environmental Affairs

Hon CHAN Hak-kan, JP (Deputy Chairman)
Hon Vincent FANG Kang, SBS, JP
Dr Hon Helena WONG Pik-wan
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS

Public officers attending : Transport and Housing Bureau

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr Andy YAU, JP
Head (Airport Expansion Project Coordination Office)

Environmental Protection Department

Mr TANG Kin-fai, JP
Assistant Director (Environmental Assessment)

Attendance by Invitation : **Agenda item II**

Mr Fred LAM, JP
Chief Executive Officer
Airport Authority Hong Kong

Mr NG Chi-kee
Executive Director, Airport Operations
Airport Authority Hong Kong

Mr Wilson FUNG
Executive Director, Corporate Development
Airport Authority Hong Kong

Mr Kevin POOLE
Deputy Director, Projects
Airport Authority Hong Kong

Mr Peter LEE
General Manager, Environment (Projects)
Airport Authority Hong Kong

Ms Stephanie LI
Chief Adviser
Airport Authority Hong Kong

Ms Liza NG
Chairman
Airline Operators Committee

Mr HU Jun
Chief Business Development Officer
Chu Kwong Shipping

Ms Cynthia LEUNG
General Manager, Corporate Affairs
Hong Kong Tourism Board

Ms Sum KWONG
Chief Executive Officer
Clean Air Network

Mr Derrick PANG Yat-bond
Vice President
Hong Kong Institution of Highways and Transportation

Mr William CHAN Kit
Columnist

Mr James TONG
Director, Corporate Affairs
Cathay Pacific Airways

Mr Joe NG
Vice-Chairman
Board of Airline Representatives Hong Kong

Mr Teddy LEE
General Manager
Commercial Air Hong Kong

Mr Johnnie LAU Yuk-kwong
Chairman
Cathay Pacific Airways Local Staff Union

Mr Albert WONG
Cathay Pacific General Manager, People
Cathay Pacific Local Management Staff Consultative
Committee

Mr Brian YUEN
General Manager, Inflight Services
Hong Kong Dragon Airlines Limited

Mr LAI Ming-hung
Chairman
Taxi & P.L.B. Concern Group

Mr Roy TAM
CEO
Green Sense

Mr Daniel TSANG Ying-cheuk
General Manager
AFSC Operations Ltd

Mr CHEUNG Ga-lam
Hon Treasurer
Hong Kong Small and Medium Enterprises Association

Mr John Anthony MILLER
Chairman
Hong Kong Business Aviation Centre Ltd.

Miss Bonnie LEUNG Wing-man
Exco member
Civic Party

Mr Aaron NG Hoi-shan
Vice Chairman
Tai Wo Motors Ltd.

Mr Watson CHAN
Senior Director (Policy & China Business)
Hong Kong General Chamber of Commerce

Ir Stephen CHAN
Chairman, Industrial Development Committee
Hong Kong Logistics Association

Mr Willy LIN
Chairman
The Hong Kong Shippers' Council

Mr CHAN Lup-chi
Secretary General
Hong Kong Association of China Travel Organisers Ltd.

Ms Jenny LAM
Chief Executive Officer
Cathay Pacific Catering Services (HK) Ltd.

Mr Dominic LEE
Chairperson
Liberal Party Youth Committee

Mr HO Hin-ming
Member
Kowloon City District Council

Mr Tony PANG
Executive Director
The Hong Kong Chinese Importers' & Exporters' Association

Mr MAK Chi-kit

Mr YEUNG Sheung-chun
Committee member
Hong Kong Fishermen Consortium

林少麟先生
會長
香港旅遊從業員聯會

葉志偉先生

Dr Samuel HUNG
Chairman
Hong Kong Dolphin Conservation Society

Ms Samantha LEE
Assistant Conservation Manager, Marine
WWF - Hong Kong

Mr CHUNG Kin-fung
Member
Young Democratic Alliance for the Betterment and
Progress of Hong Kong

Ms Melonie CHAU
Assistant Environmental Affairs Manager
Friends of the Earth (HK)

Ms Yvonne HO
General Manager
International Air Transport Association

Mr CHEUNG Shu-wang
Chairman
The Staffs and Workers Union Of Hong Kong Civil
Airlines

Miss YIP Chui-man
Senior Project Officer
Greeners Action

Clerk in attendance : Ms Debbie YAU
Chief Council Secretary (4)5

Staff in attendance : Ms Shirley TAM
Senior Council Secretary (4)5

Miss Mandy NG
Council Secretary (4)5

Miss Mandy POON
Legislative Assistant (1)1

Action

I. Election of Chairman

Ms Cyd HO, Chairman of the Panel on Environmental Affairs, informed members that as Mr James TIEN, Chairman of the Panel on Economic Development, was unable to attend this meeting, she would be the Chairman of the joint meeting ("the Chairman") to receive public views on the proposed Three-Runway System ("3RS") project for the Hong Kong International Airport ("HKIA") and the relevant Environmental Impact Assessment ("EIA") report.

II. Receiving public views on the Third Runway Project in the Hong Kong International Airport and the relevant Environmental Impact Assessment Report

(LC Paper No. CB(1)1626/13-14(03) - Administration's paper on the updates on the Three-Runway System Project at the Hong Kong International Airport

LC Paper No. CB(1)1626/13-14(04) - Paper on the development of a third runway at the Hong Kong International Airport prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)1073/13-14(01) - Extract of draft minutes of meeting of the Panel on Economic Development held on 23 June 2014 (English version only)

LC Paper No. CB(4)1090/13-14(02) - Letter dated 25 September 2014 from Dr Hon Kenneth CHAN Ka-lok to the Chairmen of Panel on Economic Development and Panel on Environmental Affairs (with wording of two motions

attached) (Chinese version only)

LC Paper No. CB(4)1101/13-14(01) - Letter from the Advisory Council on the Environment in response to the motions to be moved by Dr Hon Kenneth CHAN Ka-lok

LC Paper No. CB(1)1693/13-14(01) - Letter dated 20 June 2014 from Hon Albert CHAN Wai-yip requesting discussion on the Environmental Impact Assessment Report on the Three-Runway System Project at the Hong Kong International Airport (Chinese version only)

Environmental Impact Assessment report - http://www.epd.gov.hk/eia/register/report/eiareport/eia_2232014/html/index.htm)

Presentation of views by deputations

2. At the invitation of the Chairman, a total of 38 deputations/individuals presented their views on the proposed 3RS project in HKIA and the relevant EIA report. A summary of the views of these deputations/individuals was in the **Annex**.

Response by the Administration and AAHK

3. At the invitation of the Chairman, Under Secretary for Transport and Housing ("USTH") said that the Administration welcomed all the views and comments on the development of the 3RS project. USTH added that the Administration was mindful to balance environmental conservation and economic growth during and after the construction of 3RS. Mr Fred LAM, Airport Authority Hong Kong said that he assumed his new office in the Airport Authority Hong Kong ("AAHK") lately and he thanked all the deputations/individuals for their views toward the 3RS project.

4. Mr Wilson FUNG of AAHK gave a consolidated response to the concerns expressed by the deputations as follows:

- (a) The 1992 New Airport Master Plan ("the 1992 NAMP") suggested that high runway capacity (i.e. 86 Air Traffic Movements ("ATMs") per hour) of HKIA could be achieved under a mixed mode of operation (i.e. aircraft departures and arrivals could take place on each of the runways independently). However, it was not achievable due to geographical constraints of Lantau Island and the need to comply with international safety standards imposed by the International Civil Aviation Organization. In 2008, a consultancy firm from the United Kingdom was commissioned to evaluate the practical maximum capacity of the two-runway system under different possible modes of operation, whose finding of 68 ATMs per hour was endorsed by the Civil Aviation Department;
- (b) The 1992 NAMP anticipated that wide-bodied aircrafts with passenger capacity between 500 and 600 would be extensively used in the following two decades. However, the recent development of the aviation industry put emphasis on higher flight frequency and connectivity, and airlines opted to deploy narrow-bodied aircraft, i.e. less than 200 seats, in other aviation hubs around the world. For Hong Kong, 63% of the aircrafts using HKIA were wide-bodied models, and the passenger and cargo volume handled by HKIA was among the highest in the world. Therefore, it was not practical to use wide-bodied aircrafts as a means to increase the capacity of HKIA over a longer term; and
- (c) According to the Hong Kong International Airport Master Plan 2030 Study ("HKIA Master Plan 2030") published in 2011, it was forecast that the annual air traffic demand would increase by 3.2% every year. The forecast figure was conservative as the financial tsunami occurred in 2008. For the past four years, the actual growth of the annual air traffic demand was higher than this estimation. With the air traffic demand growing faster than forecast, it was likely that the existing two-runway system would reach its full capacity in 2016-2017, rather than in 2019-2020 as envisaged in HKIA Master Plan 2030. Since runway capacity was the bottle-neck of HKIA, there was an urgent need for 3RS to meet the long-term demand for HKIA.

Discussion

5. Referring to the written submission of WWF – Hong Kong ("WWF"), Mr SIN Chung-kai asked WWF if there were substantial grounds to seek a judicial review of the EIA process conducted for the proposed 3RS project. Ms Samantha LEE, Assistant Conservation Manager, Marine, WWF-Hong Kong, replied that WWF would not do so for the time being but they would keep in view whether the Environmental Permit would be issued and the conditions to be incorporated therein.

6. Mr CHAN Kin-por commented that apart from environmental protection, Panel members should also consider the economic development and employment opportunities that would be brought about by the 3RS project in the long run for all generations. He urged the Administration and AAHK to maintain regular dialogues with stakeholders especially green groups to ensure an effective public engagement in the EIA process. Mr CHAN requested the Administration and AAHK to provide the updated figures in relation to the operation and expansion of HKIA with a view to narrowing the differences on the development of 3RS. He also requested the Administration and AAHK to develop a dedicated website to set out the public inquiries in relation to the 3RS project and the Administration and AAHK's responses for the reference of the public.

7. Ms Claudia MO expressed concern about the conditions of the Chinese White Dolphins ("CWDs") as she had received some photos of CWDs' dead bodies found in HKIA Approach Areas. Ms MO also enquired about the urgency to implement the 3RS project and the schedule of completion. Mr Wilson FUNG of AAHK advised that with practical maximum capacity of 68 ATMs per hour, the two runways would reach saturation in 2016-2017. By then, the growth of aviation industry would be capped as no new routes could be made neither could the flight frequency of existing routes be increased. If the construction of 3RS could commence in 2016 as planned, it was scheduled to be completed by 2023. At the request of Ms MO, the Administration undertook to provide the estimated cost of 3RS project in money-of-the-day prices for Members' reference.

8. Mr Kenneth CHAN opined that given the measure of designating a new marine park around the waters of HKIA linking major habitats of CWDs was recently proposed, the Advisory Council on the Environment ("ACE") should take time to consider the proposal carefully. He considered that it was too hasty for the Administration to approve the EIA report as many environmental problems still remained unresolved. Mr CHAN stressed that Hong Kong,

being a highly-civilized place, should be able to balance the needs of environmental protection and economic development. He was reluctant to see that CWDs were eliminated to make way for more employment opportunities. In response, USTH advised that Director of Environmental Protection would act independently in considering whether to approve the EIA report. The Administration and AAHK would work out the best proposed measures to address the environmental concerns.

9. Mr Frankie YICK declared that he was a member of the AAHK Board. As a Member representing the logistics and transportation sector, Mr YICK commented that the development of this sector relied on expansion of HKIA which was facing intensifying competition among other airports in the region, for instance, airports in Jakarta, Beijing, Singapore and Guangzhou. In addition, the Liberal Party had conducted an opinion poll in late August 2014, in which 67% of people surveyed supported the 3RS project with the mitigation measures proposed under the EIA report. Moreover, he opined that it was a business decision of airlines to deploy wide-bodied or narrow-bodied aircrafts so as to maximize their returns. He also said that cutting flight routes between Hong Kong and Mainland's secondary cities would harm the status of Hong Kong as an international aviation hub.

10. While acknowledging the grounds expressed by deputations on supporting the 3RS project, Mr Paul TSE urged the Administration to address the concerns expressed by those who opposed the development of 3RS. In response to the views raised by the deputations, Mr TSE expressed concern whether ACE and the Administration had upheld or impeached the procedural justice of the EIA process. Assistant Director (Environmental Assessment) advised that both Environmental Protection Department and ACE processed the EIA report of the 3RS project in strict compliance with the EIA Ordinance.

11. The Chairman concluded the meeting and reminded Panel members that the Director of Environmental Protection would decide whether to approve the EIA report and issue the Environmental Permit by 17 October 2014.

(post-meeting note: The Director of Environmental Protection had approved the EIA report and issued the Environmental Permit on 7 November 2014.)

III. Any other business

12. There being no other business, the meeting ended at 4:45 pm.

Council Business Division 4
Legislative Council Secretariat
9 January 2015