

**Subcommittee to Follow Up Issues Relating to  
the Three-runway System at the Hong Kong International Airport**

**Issues raised at the meeting on 1 December 2015**

**Monitoring the Implementation of  
the Three-runway System (3RS) Project by Government**

The Airport Authority Hong Kong (AAHK), as the project proponent, is responsible for the implementation of the 3RS project. Operating under prudent commercial principles and having committed to self-financing the project, AAHK will do its best to deliver the project within time and budget.

2. The Government attaches great importance to the 3RS project which is crucial to maintaining the status of Hong Kong International Airport as a global and regional aviation hub, as well as the long-term economic and sustainable development of Hong Kong. Given the immense investment involved and the tight timeframe for the commissioning of 3RS, it is incumbent on the Government to ensure a proper and timely implementation of the 3RS project with due regard to cost-effectiveness. For this reason, a high-level Steering Committee chaired by the Financial Secretary has been formed to steer the implementation of the project. Key members include the Secretary for Transport and Housing, Secretary for Commerce and Economic Development, Secretary for Development, Secretary for the Environment, and Secretary for Financial Services and the Treasury.

3. In addition, the Transport Branch of the Transport and Housing Bureau (THB(TB)) has set up a dedicated Airport Expansion Project Coordination Office (AEPCO) in July 2012 to closely monitor and

scrutinise the 3RS planning work undertaken by AAHK on a day-to-day basis. The planning work included the statutory Environmental Impact Assessment, the associated design details and the financial arrangement of the project. AEPCO also represented THB(TB) in serving as member of relevant AAHK committees to provide policy input and advice on 3RS-related issues. Working closely with AEPCO, AAHK satisfactorily completed the planning work in early 2015.

4. With the affirmation of the Executive Council of the need for the 3RS project given on 17 March 2015, AAHK has been progressively taking forth the implementation of the project.

5. Currently, the 3RS project is undergoing statutory procedures under the Foreshore and Seabed (Reclamations) Ordinance (Cap. 127) and the Town Planning Ordinance (Cap. 131). AEPCO provides advice to AAHK on the handling of objections, representations and comments raised by the public, with a view to ensuring that the necessary procedures would be properly completed within the statutory time frame.

6. On environmental matters, AEPCO will monitor AAHK's efforts in fulfilling, in a timely manner, its commitments made in the Environmental Impact Assessment report and the conditions in the Environmental Permit issued by the Director of Environmental Protection, in particular, the work of AAHK in the formulation of implementation plans and details for the committed environmental mitigation and conservation measures. Where necessary, AEPCO will help to liaise with relevant bureaux and departments.

7. With respect to the 3RS financial arrangement plan, AEPCO has

provided advice to AAHK in formulating and fine-tuning its proposals, including the review of the charging regime of the Airport Construction Fee (ACF). In response to Government's request, AAHK has substantially reduced the charging level of ACF for the majority passengers at the Hong Kong International Airport and differentiated charges for short haul / long haul passengers, first or business class / economy class passengers, and origination and destination / transfer and transit passengers.

8. In the design stage, AEPCO will employ independent expert consultants to carry out monitoring and verification (M&V) on the works of AAHK. The M&V consultants will assist AEPCO to review AAHK's designs to ensure full compliance with relevant statutory requirements and technical standards. The M&V consultants will also provide expert advice to AEPCO in monitoring AAHK's tender documentation and contract procurement strategy, with particular focus on claims avoidance and mechanism for dispute resolution. In the construction stage, AEPCO will employ separate M&V consultants to monitor the overall construction process with particular emphasis on AAHK's cost control measures, works progress and quality, and contract interfacing arrangements.

9. With the assistance of the M&V consultants, AEPCO will closely monitor the works of AAHK to ensure that the design and construction of the 3RS project is fit-for-purpose, cost effective and value-for-money.

10. The Government also set up the Aviation Development and Three-runway System Advisory Committee in August 2015. It is chaired

by the Secretary for Transport and Housing, and comprises members who are experts and professionals in relevant fields, such as aviation, engineering, architecture, quantity surveying, business and finance, environment, legal, logistics and transport, tourism and hotels, academic and research. The Committee provides views and advice on major issues concerning the 3RS project, playing a pivotal role in assisting the Government in monitoring the implementation of the 3RS project by AAHK.

**Transport and Housing Bureau**

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