

LEGISLATIVE COUNCIL BRIEF

Road Tunnels (Government) (Amendment) Regulation 2017

Tsing Ma Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017

Tsing Sha Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017

INTRODUCTION

At the meeting of the Executive Council on 28 February 2017, the Council ADVISED and the Chief Executive ORDERED that the Road Tunnels (Government) (Amendment) Regulation 2017, Tsing Ma Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017 and Tsing Sha Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017 (hereafter collectively referred to as “the Regulations”) at the **Annex**, should be made.

Annex

JUSTIFICATIONS

2. At present, a motorist using government tolled tunnels and roads may stop at a manual toll booth to pay the toll by means of cash or pre-paid toll tickets. Alternatively, a motorist who drives a vehicle with an autotoll tag (which is an electronic toll collection system transponder) attached to the windscreen may drive through an autotoll booth without stopping with the toll automatically paid through deducting from a pre-paid account. In 2016, about 46% of motorists used autotoll while about 54% paid at manual toll booths¹ when using government tolled tunnels and roads.

¹ Of the toll revenue collected at manual toll booths, 99.3% was paid in cash and 0.7% was in pre-paid toll tickets.

3. The use of e-payment by contactless payment cards or devices² (“e-payment means”) has become increasingly popular. To meet public expectation and for the convenience of motorists, we will install “stop-and-go” e-payment facilities at manual toll booths (i.e. toll booths which are not autotoll booths) of government tolled tunnels and roads. Motorists may then choose to pay tolls by either cash, pre-paid toll tickets or e-payment means at manual toll booths. In other words, motorists will be provided with an additional and convenient toll payment means. Currently, the average time required for a vehicle to pass through a manual toll booth that involves cash-changing is about 10 seconds. When a motorist pays the toll using “stop-and-go” e-payment facilities, we anticipate that the response time will be shortened to not more than five seconds.

4. In May 2013, the Legislative Council (“LegCo”) Finance Committee (“FC”) approved the funding for the installation of “stop-and-go” e-payment facilities at five government tolled tunnels (i.e. Aberdeen Tunnel, Cross-Harbour Tunnel, Lion Rock Tunnel, Shing Mun Tunnels and Tseung Kwan O Tunnel)³ and two government tolled roads (i.e. Lantau Link and Tsing Sha Highway). Modification works for the existing toll collection systems and hardware for interfacing with new e-payment facilities have been completed. The Transport Department (“TD”) has awarded, through open tender, the contracts for the design and construction of e-payment facilities. TD plans to implement the first phase of the “stop-and-go” e-payment project in mid-2017 covering the Shing Mun Tunnels, followed by the second phase from end 2017 to early 2018 covering all the other six government tolled tunnels and roads⁴.

5. TD has, through open tender, selected two e-payment service providers. The two e-payment service providers, both awarded three-year contracts, will process four e-payment means between them, *viz.* Octopus, Visa payWave, MasterCard contactless and UnionPay QuickPass. Motorists may therefore pay tolls by any of the four e-payment means at government tolled tunnels and roads after the e-payment facilities are installed. In future, TD will continue to select

² Contactless payment cards or devices (e.g. smartphones) mainly use near field communication for making secure payments. Consumers may pay by positioning their cards or devices over a reader at the point of sale terminal.

³ The Eastern Harbour Crossing was not included as it was still a Build-Operating-Transfer tunnel before the Government’s take-over in August 2016.

⁴ TD plans to install “stop-and-go” e-payment facilities at the Eastern Harbour Crossing no later than early 2019. The required capital cost of about \$8.8 million was approved under delegated authority in 2014, and the estimated recurrent cost is about \$7.4 million per year.

e-payment service providers through tender and will open to other e-payment means evolving in the market. The Commissioner for Transport will inform the public of the available e-payment means through various publicity arrangements, including publishing Transport Department Notices on TD's website and local newspapers, issuing Traffic Advices for radio broadcast and display of signboards at suitable toll collection areas, etc.

The Proposal

6. We propose to amend the respective regulations relating to tolls under the Road Tunnels (Government) Regulations (Cap. 368A), the Tsing Ma Control Area (Tolls, Fees and Charges) Regulation (Cap. 498A) and the Tsing Sha Control Area (Tolls, Fees and Charges) Regulation (Cap. 594B) so that payment of tolls by e-payment means at toll booths (other than autotoll booths) can be accepted.

THE REGULATIONS

Annex

7. The Regulations at the **Annex** seek to amend the Road Tunnels (Government) Regulations, the Tsing Ma Control Area (Tolls, Fees and Charges) Regulation and the Tsing Sha Control Area (Tolls, Fees and Charges) Regulation respectively so that tolls can be settled by e-payment means at the government tolled tunnels and roads governed by these regulations. The Regulations also seek to make minor amendments to the Road Tunnels (Government) Regulations. The Regulations will commence on 2 June 2017.

LEGISLATIVE TIMETABLE

8. The legislative timetable will be as follows –

Publication in the Gazette	10 March 2017
Tabling at LegCo for negative vetting	22 March 2017
Commencement of the Regulations	2 June 2017

IMPLICATIONS OF THE PROPOSAL

9. On economic implications, the proposal will provide an additional payment option to motorists and help shorten motorists' stopping time at the manual toll booths by saving time in cash-counting and change-giving. This will be conducive to speeding up the flow of traffic in the vicinity of the government tolled tunnels and roads.

10. Providing "stop-and-go" e-payment facilities at the five government tolled tunnels and two government tolled roads (see paragraph 4 above) involve an estimated capital cost of about \$45.53 million and an estimated recurrent cost of around \$16.7 million per year.

11. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The Regulations will not affect the current binding effect of the Road Tunnels (Government) Ordinance (Cap. 368), the Tsing Ma Control Area Ordinance (Cap. 498) and the Tsing Sha Control Area Ordinance (Cap. 594) and their respective subsidiary legislation. The proposal has no civil service, family, environmental, sustainability, gender or productivity implications.

PUBLIC CONSULTATION

12. We consulted the LegCo Panel on Transport in March 2013 on the proposal before seeking funding approval from FC in May 2013. LegCo Members supported the proposal in general.

PUBLICITY

13. A spokesperson will be available for answering media enquiries.

BACKGROUND

14. As at mid-December 2016, there are six government tolled tunnels (i.e. Aberdeen Tunnel, Cross-Harbour Tunnel, Eastern Harbour Crossing, Lion Rock Tunnel, Shing Mun Tunnels and Tseung Kwan O Tunnel) and two government tolled roads (i.e. Lantau Link and Tsing Sha Highway).

15. There will be more government tolled tunnels in the near future, including the Tate's Cairn Tunnel which will be taken over by the Government upon the expiry of the Build-Operate-Transfer franchise in July 2018, and new constructions such as the tunnel section of the Tuen Mun – Chek Lap Kok Link. With the experience gained from implementing e-payment systems at the existing government tolled tunnels and control areas, TD plans to install “stop-and-go” e-payment facilities at the new tunnels and will secure financial resources through the established mechanism.

ENQUIRIES

16. Any enquiries on this brief can be directed to Mr Tony Li, Principal Assistant Secretary for Transport and Housing (Transport) at 3509 8192.

Transport and Housing Bureau
8 March 2017

Road Tunnels (Government) (Amendment) Regulation 2017

(Made by the Chief Executive in Council under section 20 of the Road Tunnels (Government) Ordinance (Cap. 368))

1. Commencement

This Regulation comes into operation on 2 June 2017.

2. Road Tunnels (Government) Regulations amended

The Road Tunnels (Government) Regulations (Cap. 368 sub. leg. A) are amended as set out in sections 3 and 4.

3. Regulation 2 amended (interpretation)

Regulation 2(1)—

Add in alphabetical order

“*electronic payment facility* (電子繳費設施) means a facility approved by the Authority for processing payment of tolls through an electronic system, other than a facility installed under regulation 12A(1);”.

4. Regulation 12 amended (tolls)

(1) Regulation 12(2)(a)(i)—

Repeal

“he”

Substitute

“the person”.

(2) Regulation 12(2)(a)(ii)—

Repeal

“he”

Substitute

“the person”.

(3) Regulation 12(2)(a)(ii)—

Repeal

“or”.

(4) After regulation 12(2)(a)(ii)—

Add

“(iia) if an electronic payment facility is in operation at the booth—the person stops and pays the appropriate toll for the vehicle by using the facility; or”.

(5) Regulation 12(2)(a)(iii)—

Repeal

“he”

Substitute

“the person”.

Clerk to the Executive Council

COUNCIL CHAMBER

2017

Explanatory Note

This Regulation—

- (a) amends the Road Tunnels (Government) Regulations (Cap. 368 sub. leg. A) (*principal Regulations*) to provide for electronic payment of tolls for using the tunnels specified in Schedule 1 to the Road Tunnels (Government) Ordinance (Cap. 368); and
- (b) makes minor amendments to the principal Regulations.

Tsing Ma Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017

(Made by the Chief Executive in Council under section 27(1) of the Tsing Ma Control Area Ordinance (Cap. 498))

1. Commencement

This Regulation comes into operation on 2 June 2017.

2. Tsing Ma Control Area (Tolls, Fees and Charges) Regulation amended

The Tsing Ma Control Area (Tolls, Fees and Charges) Regulation (Cap. 498 sub. leg. A) is amended as set out in sections 3 and 4.

3. Section 1 amended (interpretation)

Section 1—

Add in alphabetical order

“*electronic payment facility* (電子繳費設施) means a facility approved by the Commissioner for processing payment of tolls through an electronic system, other than a facility installed under section 20(1)(a) of the Tsing Ma Control Area (General) Regulation (Cap. 498 sub. leg. B);”.

4. Section 3 amended (tolls)

After section 3(3)(c)—

Add

“(ca) by the receipt of payment through an electronic payment facility;”.

Clerk to the Executive Council

COUNCIL CHAMBER

2017

Explanatory Note

This Regulation amends the Tsing Ma Control Area (Tolls, Fees and Charges) Regulation (Cap. 498 sub. leg. A) to provide for electronic payment of tolls for using the Lantau Link.

Tsing Sha Control Area (Tolls, Fees and Charges) (Amendment) Regulation 2017

(Made by the Chief Executive in Council under section 26(1) of the Tsing Sha Control Area Ordinance (Cap. 594))

1. Commencement

This Regulation comes into operation on 2 June 2017.

2. Tsing Sha Control Area (Tolls, Fees and Charges) Regulation amended

The Tsing Sha Control Area (Tolls, Fees and Charges) Regulation (Cap. 594 sub. leg. B) is amended as set out in sections 3 and 4.

3. Section 2 amended (interpretation)

Section 2—

Add in alphabetical order

“*electronic payment facility* (電子繳費設施) means a facility approved by the Commissioner for processing payment of tolls through an electronic system, other than a facility installed under section 18(1)(a) of the General Regulation;”.

4. Section 3 amended (tolls)

(1) Section 3(2)(a)(iii)—

Repeal

“; or”

Substitute a semicolon.

(2) After section 3(2)(a)—

Add

“(ab) by using an electronic payment facility that is in operation at a toll booth; or”.

Clerk to the Executive Council

COUNCIL CHAMBER

2017

Explanatory Note

This Regulation amends the Tsing Sha Control Area (Tolls, Fees and Charges) Regulation (Cap. 594 sub. leg. B) to provide for electronic payment of tolls for using the toll area of the Tsing Sha Control Area.