

**For Information
on 29 April 2019**

Legislative Council Panel on Economic Development

**Update on the Development of the Three-Runway System
at the Hong Kong International Airport**

Purpose

This paper provides an update on the developments of the Three-Runway System (“3RS”) project.

Background

2. Following the last update of the 3RS project presented to Panel on Economic Development on 30 November 2018, this paper presents the latest major developments of the 3RS project, namely updates on the overall progress as well as the individual key aspects of the project: (a) construction; (b) labour supply; (c) construction safety; (d) environmental-related issues; and (e) financial arrangement plan, which are summarised in the paragraphs below.

Progress Update on 3RS Works

(a) Construction

3. The construction of the 3RS at Hong Kong International Airport (“HKIA”) comprises different components, including the formation of about 650 hectares of land, the construction of the Third Runway, taxiways and aprons, and the Third Runway Passenger Building (“TRPB”), expansion of the existing Terminal 2 (“T2”), provisions of a new automated people mover (“APM”) system and a high-speed baggage handling system (“BHS”), modification of the existing North Runway and the construction of airport support infrastructure, utilities and facilities. A layout plan showing the 3RS project scope is in **Annex A**. These components proceed either concurrently or consecutively, in accordance with a detailed phasing and sequencing arrangement. As explained in detail in the following, despite challenges associated with reclamation

filling for land formation caused by fill materials supply, the Airport Authority Hong Kong (“AAHK”) has been maintaining the progress of the 3RS construction with a view to commissioning the Third Runway as planned by 2022 and the entire 3RS by 2024. AAHK will continue to work towards these targets by way of, among others, securing adequate fill supply from multiple sources, continuously optimising the reclamation design, as well as sequencing and phasing different works according to their criticality.

(i) *Land Formation*

4. Since the commencement of 3RS construction on 1 August 2016, works are progressing as planned. The diversion works of the submarine power cables and aviation fuel pipelines between the airport island and Sha Chau were completed, and the diverted facilities have been put into operation since June 2018. Deep Cement Mixing (“DCM”) works constitute one of the main components of the reclamation works for improving ground conditions. Currently, over 90% of DCM works including all in critical reclamation areas and under the seawall areas have been completed. Both sand blanket laying works and prefabricated vertical drain works have also been substantially completed as planned. More than 10 km long seawall areas have been handed over from the DCM contractors to the main reclamation contractor who has completed over 6 km long seawall rock core and vertical seawall blocks above sea level. Over 580 hectares of the reclamation works areas, about representing 90% of the total, have been handed over to the main reclamation contractor for reclamation filling.

5. Since May 2018, reclamation filling has been proceeding in full swing in various sections of the site in accordance with the priorities set for subsequent airfield infrastructure construction. Parcels of reclaimed land will be handed over progressively to infrastructure contractors according to reclamation progress.

6. This year will see a peak of demand for fill materials, with a target for completion of the reclamation filling within the critical reclamation areas in 2020 as scheduled. Given the huge fill requirement, sufficient and timely supply of fill materials at an increasing rate is essential to maintain the reclamation progress in the remainder of this year as well as next year. Amid the competitive demand for fill materials in the region, the main reclamation contractor is facing significant challenges in sourcing reclamation fill materials, be it from the Mainland or from other sources, to discharge its contractual obligations. AAHK and the

main reclamation contractor have been making every effort to acquire different fill materials from multiple sources, including manufactured sand from Guangdong and Fujian provinces, suitable fill materials from the public fill reception facilities and other ongoing local infrastructure projects, as well as sand fill from the Mainland and Southeast Asia.

7. At the moment, manufactured sand from Guangdong and Fujian provinces remains the major source of fill materials for the reclamation works. To date, the number of production lines in Guangdong province supplying manufactured sand to the 3RS project has been increased in stages from six to nine to increase production output. To moderate any potential supply fluctuations, the main reclamation contractor has further engaged suppliers in Fujian province for a supplementary supply of manufactured sand. However, the overall market for manufactured sand continues to experience competing demands, particularly from the construction industry in the Mainland. It is anticipated that such competing demand will continue in the next few years, posing challenges to the reclamation works of the 3RS project.

8. AAHK and the main reclamation contractor continue to work closely with the Civil Engineering and Development Department to maximise the utilisation of public fill for appropriate use in the 3RS project. With altogether four sorting facilities in operation at Tseung Kwan O Fill Bank and Tuen Mun Fill Bank, the overall public fill intake by the 3RS project is picking up despite intermittent fluctuations caused by inclement weather conditions and other operational constraints. AAHK has also taken steps to optimise the reclamation design by exploring more suitable areas for receipt of public fill above and below seawater level. Materials generated from other AAHK's projects and local infrastructure projects are also being used as fill in the reclamation works.

9. As far as sand fill is concerned, with the Government's continuing support and assistance, the main reclamation contractor, in collaboration with AAHK, continues to work proactively with the Mainland authorities on the procedural arrangement required for exportation of marine sand from the Mainland. The main reclamation contractor has been working closely with Guangxi province in the past year. The Guangxi government has completed the tendering process for the first sand source in Guangxi and is processing the necessary permits for delivering sand to Hong Kong by mid-2019. Guangdong Government is also preparing the necessary procedures.

10. Apart from the Mainland sources, the main reclamation contractor has taken solid steps to procure sand fill from multiple sources in the Philippines and Malaysia. Following trial deliveries in November/December 2018, further deliveries from Malaysia and the Philippines are continuing, albeit limited in quantities at present due to the time required for going through the necessary procedures required by the local authorities before delivery.

11. In summary, as reported to the Panel in November 2018, the supply of fill materials has been slower than expected. This trend has continued in the first quarter of 2019, with further impact brought by the Chinese New Year (“CNY”) holidays in the Mainland, during which fill production and deliveries were suspended in the first half of February 2019. Overall, the continuing challenges associated with the supply of fill materials, coupled with the inclement weather conditions last year, has caused a slippage of 18 weeks in the schedule of reclamation filling for land formation.

12. To minimise the impact of the aforementioned slippage on the overall programme, AAHK is actively working with the reclamation contractor on multiple fronts to diversify the sources of fill materials while continuing to increase supply. AAHK is working closely with the main reclamation contractor to ensure the sand supply from Guangxi will be delivered by mid-2019, and the supply of sand from other multiple sources will proceed as planned, while continuing to follow up with the Guangdong authorities for sourcing sand there. To facilitate acceptance of overseas sand and provide more speedy and efficient transshipment operations from overseas bulk carriers to the 3RS reclamation site, the main reclamation contractor has significantly strengthened its local logistics fleet of specialised marine plant and barges. To mitigate the impact caused by unstable supply of manufactured sand, AAHK will continue to work with the main reclamation contractor to further increase the number of production lines for manufactured sand.

13. Another key measure to overcome the challenges caused by fill supply is to optimise the reclamation design so as to reduce fill demand. AAHK has already optimised the reclamation design by reducing sand fill for areas of the TRPB and APM/BHS tunnels, and by increasing the use of DCM works outside the contaminated mud pit area where infrastructure and superstructure will be constructed. The increased use of DCM is particularly significant as it has the added advantage in reducing the need of fill material for surcharging as well as the process of the subsequent

lengthy surcharging, thus allowing the subsequent works to commence soon after the land is formed.

14. Also, to minimise the programme impact on other 3RS follow-on works, AAHK will prioritise the follow-on construction works according to a phased programme for handover of areas of the reclaimed land upon completion to the various civil/building contractors, as illustrated in the reclamation phasing plan (**Annex B**). For instance, the critical areas at the Western Support Area where future fire station, interim air traffic control tower and construction support facilities will be built, have been scheduled for handover by the main reclamation contractor before end of 2019, followed closely by the start of handing over of the eastern portion of the Third Runway in end 2019/early 2020, and then the western portion of the Third Runway area by mid-2020. The handover of less programme-critical areas has been reset to later dates as compared with earlier programmes as part of the optimising process. The measures of prioritising the critical areas will help ensure that the Third Runway will be completed for commissioning by 2022. With these measures in place, impact on the overall progress would be minimised.

15. As different components of the 3RS project are proceeding as planned, coupled with the benefit of the above measures, it is envisaged that the slippage of the filling operation would not affect the achievement of key project milestones by follow-on works. While it remains a challenging process to maintain a steady and sufficient supply of fill materials in the next few months, AAHK continues to proceed with the original targets to commission the new Third Runway by 2022 and the entire 3RS by the end of 2024.

(ii) Building and Infrastructure Works

16. In addition to reclamation works, other components of 3RS project have all commenced as planned, many of which are either proceeding on time or ahead of schedule.

17. The site works relating to the foundations and substructure of the T2 expansion works are continuing as planned with utilities diversions, bridge demolition, South Annex Building works, diaphragm wall works and both bored piles and H-rock socket piling works ongoing. To date, T2 advance works are progressing whilst T2 remains in operation. As planned, T2 will cease operation in the fourth quarter of 2019 to enable the major reconfiguration of the facilities. At the same time, the carpark adjacent to T2 – Carpark 3, now being used by light good vehicles and

pre-booked taxis¹, will be relocated to a new area in Carpark 1. By 2024, T2 will re-open as a fully-fledged terminal with departure, arrival and transfer capabilities. This reconfiguration will maximise the reuse of construction and demolition materials generated from the works as far as practicable. Pre-qualification of tenderers has commenced for the main works of the expanded T2. To ensure the buildability of the feature roof of the expanded T2, the assembly of a section of the roof at an off-site location is currently underway for a subsequent lifting trial.

18. The detailed design for the TRPB, which commenced in 2016, is progressing well. With regard to the Third Runway and the associated taxiways, the construction contract has been awarded, while the detailed design of the remaining airfield infrastructure is proceeding well. Works on the North Runway crossover taxiway and the associated modification of the existing North Runway are slightly ahead of schedule.

19. In addition to the above works, the design and build contracts for the highly specialised APM system and the high-speed BHS are in progress. The construction of the concrete structure of the new APM Depot was completed ahead of schedule. The APM and BHS tunnels on the existing airport island, which commenced construction in mid-2017, are also proceeding as planned. Meanwhile, licences for construction support facilities and services, e.g. marine transport services, quay management services and medical services, have been awarded to facilitate construction works on the new reclaimed land.

(iii) Project Cost

20. AAHK continues to manage the project expenditure within budget. Members may wish to note that the total value of the major contracts awarded (about HKD48 billion) as at end March 2019 is within the estimated budget. Details of the construction works contracts are at

¹ In order to meet the future passenger demand and for more effective management, AAHK has proposed to relocate the pick-up area for pre-booked urban, New Territories (“NT”) and Lantau taxis to Carpark 1 having regard to the expansion works of T2. The relocation of the pick-up areas of NT taxis to Carpark 1 will require amendment to Schedule 7 to the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E) to revise the permitted operating areas for NT taxis to facilitate their access to Carpark 1, while no such amendment will be required for urban and Lantau taxis. The proposed amendments will allow NT taxis to access to the following roads: (i) the section of eastbound carriageway of Cheong Lin Road between the roundabout joining Cheong Lin Road and Cheong Shun Road, and Airport South Interchange; and (ii) the section of Cheong Shun Road between the roundabout joining Cheong Lin Road and Cheong Shun Road, and the ingress/egress of Carpark 1. It is targeted that the relevant Amendment Regulation to be made by the Secretary for Transport and Housing under section 6 of the Road Traffic Ordinance (Cap. 374) will be tabled at the Legislative Council for negative vetting in the second half of 2019 to tie in with the relocation.

Annex C. It is understood that there have been speculations as to the costs of fill materials in light of the recent slippage in reclamation. Since AAHK's main reclamation contractor is in negotiation with different suppliers, both in the Mainland and overseas, on the supply of fill materials for the reclamation works, it is not appropriate to disclose information about the quantities of marine sand and manufactured sand used, and their further quantities to be finally procured, as it will severely jeopardise the procurement process conducted by the main reclamation contractor. Individual suppliers may also gain benefits from inappropriate disclosure of commercially sensitive information. It remains AAHK's target to deliver the 3RS project within the budget of HKD141.5 billion.

(b) Labour Supply

21. AAHK has been monitoring the labour requirements for the 3RS project. Currently, the majority of construction activities are mainly related to reclamation and civil works which are equipment-intensive. Starting from 2020, the skilled labour demand is estimated to increase according to work progress and reach the peak level in 2022 with about 9,000 workers to be deployed on the construction of the major airfield infrastructure works, tunnels and terminal buildings. To moderate the demand for skilled workers during peak periods, AAHK is planning to maximise construction processes off-site where feasible, which include potential use of pre-cast concrete elements, and prefabrication of roof modules completed with building services installations, etc.. At the same time, AAHK will continue to liaise closely with the Government and the relevant authorities to project the capacity of the local labour market to ensure the employment opportunities of local workers on the one hand and a sufficient supply of skilled labour on the other.

22. To meet the imminent demand for specialised labour, the main reclamation contractor's application for importing skilled workers under the Supplementary Labour Scheme was approved by the Labour Department ("LD") in April 2018. With the concerted effort of AAHK and the main reclamation contractor in optimising the related work processes, so far 80% of the approved quotas have been deployed to fill up positions under specialist marine trades to supplement its workforce. Apart from ongoing recruitment of local workers through various channels, AAHK has been working with its contractors and the Construction Industry Council ("CIC") to provide training courses under the "Construction Tradesman Collaborative Training Scheme" ("CTS") in relation to these specialist marine trades for local workers. To date, the main reclamation contractor has implemented CIC's approved CTS training courses for five trades.

Overall, AAHK and the main reclamation contractor remain cautious in making use of imported workers to fill these posts, and will keep enhancing its local recruitment and training efforts for meeting the manpower needs of future works. Further applications for importing skilled workers would only be made in circumstances where genuine labour shortage in relevant work trades is identified.

(c) Construction Safety

23. AAHK accords the highest priority to construction safety and has adopted a wide range of related measures. As a part of the prequalification and tender assessments, it is a mandatory requirement for tenderers to demonstrate the highest commitment to safety and safeguard against accidents. As regards education and publicity, the first promotion campaign under AAHK's "V Commit Safety Programme"² in respect of workplace housekeeping was rolled out in October 2018 to all 3RS contractors. An award ceremony was held on 17 January 2019 with contractors and workers/supervisors commended with awards, certificates, trophies and souvenirs by AAHK. The next round of promotion on "Hands-off Campaign"³ for the first half of 2019 has been launched in mid-January 2019.

24. As of February 2019, the 12-month rolling Accident Frequency Rate ("AFR"⁴) per 1,000 workers per year for the 3RS project is 2.3, substantially lower than the accident rate per 1 000 workers of the Hong Kong construction industry of 32.9 in 2017 as reported by the LD. AAHK's efforts in adhering to the highest construction safety standard has been recognised by the Lighthouse Club⁵, which awarded a Gold Award to AAHK for the Safety Leadership Award 2019 (Client-Developer Category), while one of AAHK's 3RS consultants also won the Silver Award under International Design for Safety Award for the design of Terminal 2 Roof Access Walkway.

² "V Commit Safety Programme" is an AAHK-led Safety and Social Responsibility promotion programme targeting at caring of 3RS staff, workers and their families.

³ "Hands-off Campaign" is the second round of safety promotion campaigns under AAHK's "V Commit Safety Programme" led by the in-house safety team to raise the safety awareness among 3RS workers to avoid injuries to their hands and fingers.

⁴ AFR is the number of reportable accidents per 1,000 workers per year. This calculation is in accordance with the LD and is widely used in the Hong Kong construction industry.

⁵ The Lighthouse Club operates worldwide to promote and improve health and safety in the construction industry, amongst its other work.

(d) Environmental-Related Issues

25. AAHK remains vigilant with regard to environmental monitoring and audit (“EM&A”). All EM&A information, including finalised Environmental Permit submissions, monitoring results, implementation status of mitigation measures, events of non-compliance and the corresponding follow-up actions etc., are reported on a monthly basis and summarised in the Monthly EM&A Reports, which are publicly available at a dedicated website⁶. The EM&A programme and all the required environmental mitigation measures for the 3RS project have been properly implemented since commencement of construction.

26. AAHK continues to fulfil its commitments to enhancing marine ecology and fisheries for the benefit of marine ecology (including the Chinese White Dolphins) and fisheries resources in the vicinity of the project area. Since the setting up of a Marine Ecology Enhancement Fund (“MEEF”) and a Fisheries Enhancement Fund (“FEF”) with a total budget of HKD400 million in late 2016, over HKD18 million was granted from the MEEF and FEF to 16 projects for years 2017/18 and 2018/19. Details of the funded projects for the MEEF and FEF, including the reports of those completed projects, can be found at the dedicated websites⁷. These projects are managed and conducted by universities, research groups, or associations from the fisheries industry.

27. Meanwhile, AAHK continues to provide funding for and manages several marine ecology and fisheries enhancement measures in Lantau waters on a voluntary basis. These include:

- (i) eco-enhancement seawall design, which incorporates concrete seawall blocks and vertical seawall panels with rough surfaces to facilitate and promote colonisation of epifauna and to increase microhabitat complexity;
- (ii) a six-month voluntary surveillance programme since May 2018 covering the Sha Chau and Lung Kwu Chau Marine Park and The Brothers Marine Park intended to identify over time activities suspected to be non-compliant with the Marine Park Ordinance. The information and experience gained in the

⁶ <http://env.threerunwaysystem.com/en/index.html>

⁷ Marine Ecology Enhancement Fund webpage:
<http://env.threerunwaysystem.com/en/meeef/index.html>
Fisheries Enhancement Fund webpage:
<http://env.threerunwaysystem.com/en/fef/index.html>

exercise have been shared with the Agriculture, Fisheries and Conservation Department (“AFCD”); and

- (iii) the preparatory works for pilot tests on artificial reef (“AR”) deployment and fish fry restocking, intended to evaluate their effectiveness within the proposed 3RS Marine Park. It is anticipated that the pilot test for fish fry restocking would commence in the second quarter of 2019 whereas the pilot test for AR deployment would commence in 2020 (subject to the gazettal under the Foreshore and Sea-bed (Reclamations) Ordinance and statutory authorisation).

28. As recommended in the approved 3RS EIA Report, a new marine park (“the 3RS Marine Park”) comprising an area of approximately 2,400 hectares will be designated in north Lantau waters to tie in with the full operation of the 3RS project in 2024. AAHK commenced a detailed study in 2016 to refine the marine park boundary and management plan. AAHK has liaised with stakeholders to solicit their views on the goals, boundary and preliminary management plan for the 3RS Marine Park. Further consultations with stakeholders including green groups, fishery sectors, local communities and other consultative and advisory committees are ongoing until late 2019. AAHK will continue to work with AFCD in the preparatory works for the designation of the proposed 3RS Marine Park.

29. To enhance transparency and communication with the community in a proactive way, AAHK continues to engage its stakeholders, through meetings with Professional Liaison Group (“PLG”) and Community Liaison Groups (“CLGs”)⁸, with a view to facilitating communications, enquiries and complaints handling on all environmental issues related to the 3RS project. Since last reported in November 2018, another round of meetings for PLG and CLGs were held in December 2018. Members of the liaison groups were updated on the latest progress of the 3RS project and associated environmental matters.

(e) Financial Arrangement Plan

30. In the last report to this Panel on 30 November 2018, Members were updated on the detailed funding plan to raise third-party debts from the market as advised by AAHK’s financial advisor, The Hongkong and Shanghai Banking Corporation Limited (“HSBC”). The indicative

⁸ Five CLGs were set up in the neighbouring districts of HKIA, namely Islands, Kwai Tsing, Shatin, Tsuen Wan and Tuen Mun.

implementation timeline of the detailed funding plan as provided to the Panel before is set out in **Annex D**.

31. In accordance with the roadmap, AAHK completed the following key preparatory work in 2018:

- (a) updated the Medium Term Note (“MTN”)⁹ programme to facilitate ready access to the debt capital market;
- (b) through a tendering process selected the joint lead managers for the USD bond issuance;
- (c) conducted investors meetings with potential institutional investors in Hong Kong and overseas to promote AAHK’s credit credential and recent developments at HKIA including the 3RS; and
- (d) held discussions with lending banks, investment banks, and credit rating agencies for regular market update and rating review and also monitored closely the market condition.

32. Capturing a favourable window amid strong investor demand after the CNY, AAHK successfully launched the USD500 million bond due in 2029 with a coupon of 3.45% per annum, or approximately HKD4 billion equivalent, under the MTN programme on 13 February 2019. The bond was rated “AA+” by Standard & Poor’s, same as the current credit rating of AAHK. The bond was over-subscribed by more than 7 times, with over USD3.6 billion in orders from professional and institutional investors in Hong Kong, Asia and Europe.

33. The bond investors included a mix of asset managers, government agencies, corporations, banks and insurance companies. The overwhelming response from the global financial community demonstrates the market’s interest and confidence in both AAHK and the 3RS project.

34. Looking ahead, AAHK is planning to issue a 3-year HKD5 billion retail bond, as part of the detailed funding plan, to retail investors in 2019-20, barring unforeseen circumstances. AAHK will coordinate with the Government’s retail bond offering programme to ensure that both timing and terms of AAHK’s programme are appropriate.

⁹ The MTN programme allows AAHK to raise funds in the international institutional market. The multi-currency feature of the programme enables AAHK to issue notes in major currencies (such as Hong Kong dollars, US dollars, Australian dollars, pound sterling, euro, Japanese yen etc.).

35. Apart from the issuances of USD bond and HKD retail bond mentioned above, over the medium term, AAHK plans to tap the bank loans and HKD bonds to provide alternative source of fund. AAHK has been kept abreast of the market environment and condition through constant engagement with the major lending banks. In good time, AAHK will also arrange an expanded HKD10 billion standby revolving facility to act as the backup to the funding exercise as planned.

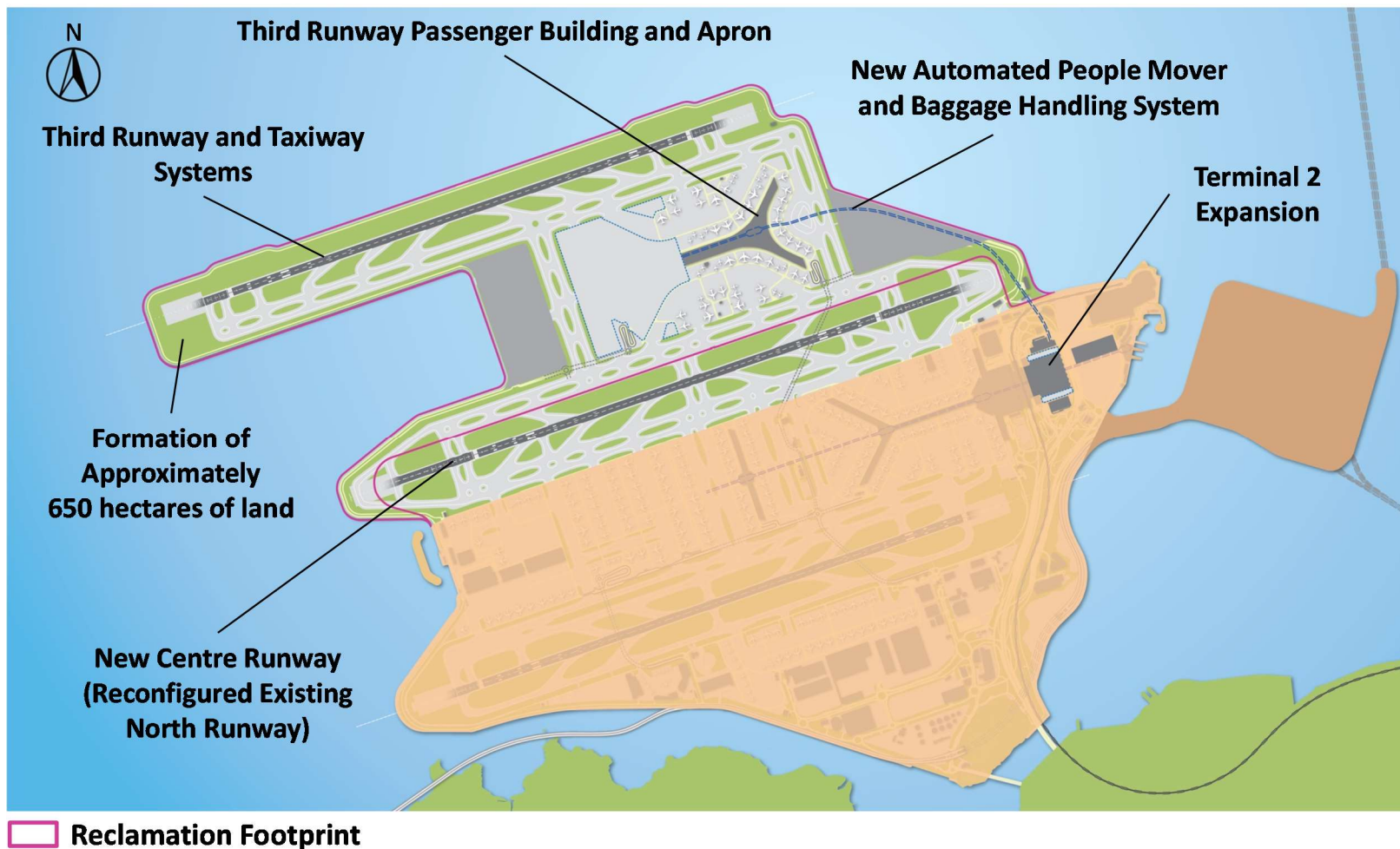
36. The final details and the timing of the execution of retail bond and other financing transactions will depend on the funding needs of the AAHK, 3RS project progress and market environment. As and when the timing is appropriate and the market conditions allow, AAHK will execute these financing transactions accordingly.

Advice Sought

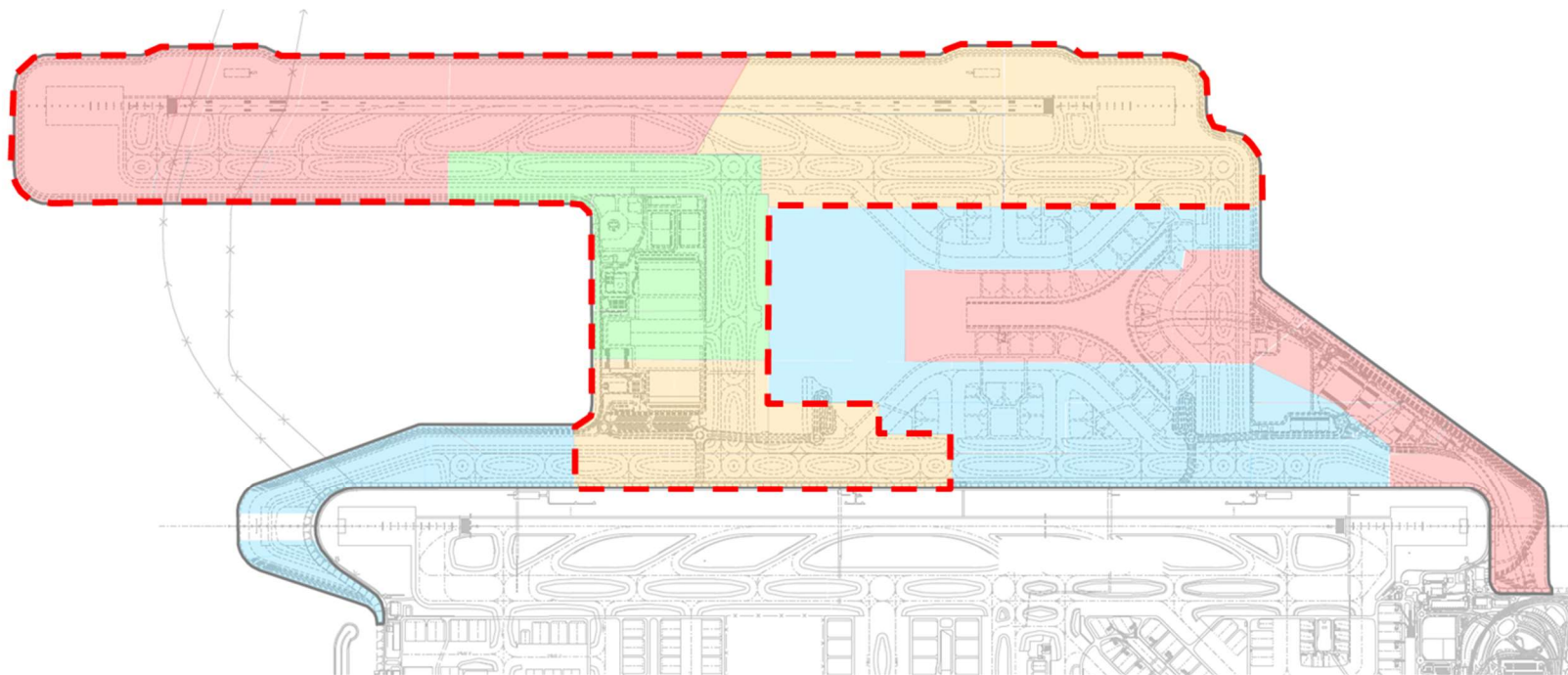
37. Members are invited to note the above.


Airport Authority Hong Kong
April 2019

Three-Runway System Layout Plan Illustrating the Project Scope







Reclamation Phasing Plan



 Area needed for operation of New North Runway in 2022

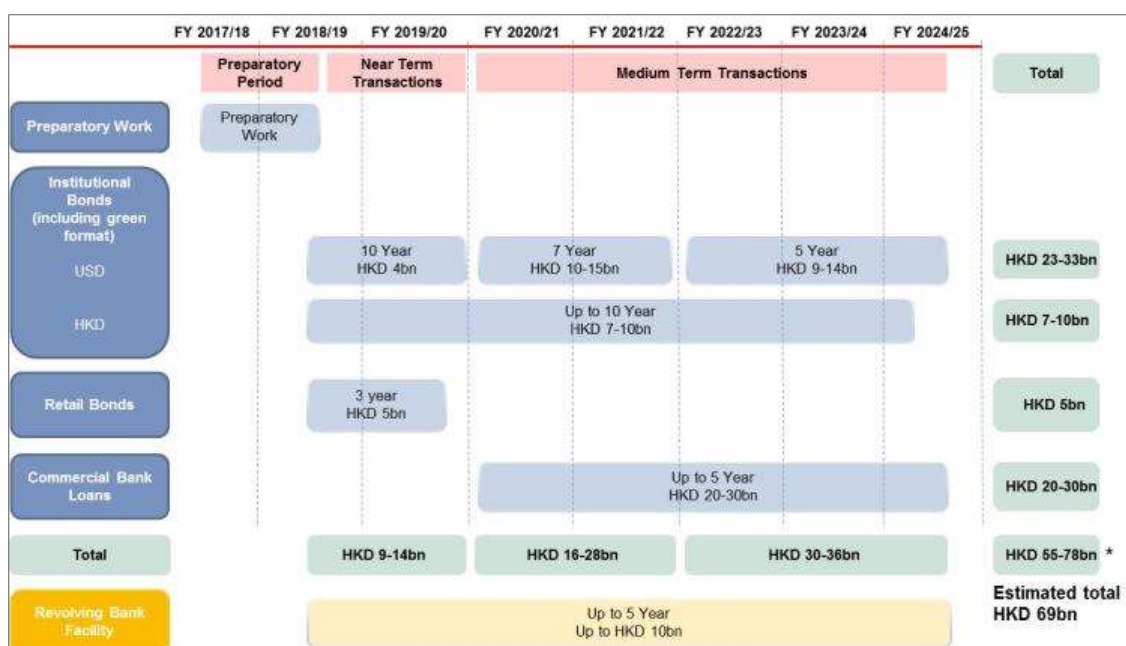
Target Completion Time of Reclamation

-  2019
-  End 2019 / Early 2020
-  Mid 2020
-  Late 2020 to Mid 2021

Annex C**Three-Runway System Project
An Overview of the Major Construction Works
(as at 10 April 2019)**

	Construction Works Contract	Works Contract Award Date	Contract Sum (HKD)
1.	Contract No.: 3201 Deep Cement Mixing Works (Package 1)	28 July 2016	3,686,890,096
2.	Contract No.: 3202 Deep Cement Mixing Works (Package 2)	28 July 2016	2,813,918,000
3.	Contract No.: 3203 Deep Cement Mixing Works (Package 3)	28 July 2016	2,120,914,933
4.	Contract No.: 3204 Deep Cement Mixing Works (Package 4)	28 July 2016	1,800,000,000
5.	Contract No.: 3205 Deep Cement Mixing Works (Low Headroom)	27 September 2016	3,314,806,000
6.	Contract No.: 3206 Main Reclamation Works	27 September 2016	15,263,960,097
7.	Contract No.: 3301 North Runway Crossover Taxiway	3 April 2017	356,277,178
8.	Contract No.: 3302 Eastern Vehicular Tunnel Advance Works	28 November 2018	682,000,000
9.	Contract No.: 3303 Third Runway and Associated Works	8 April 2019	6,273,725,171
10.	Contract No.: 3501 Antenna Farm and Sewage Pumping Station	9 June 2017	67,628,000
11.	Contract No.: 3503 Terminal 2 Foundation and Substructure Works	28 November 2017	2,435,123,581
12.	Contract No.: 3601 New Automated People Mover System (TRC Line)	13 June 2017	1,668,324,457
13.	Contract No.: 3602 Existing APM System Modification Works	30 March 2017	843,430,000
14.	Contract No.: 3603 3RS Baggage Handling System	28 November 2017	3,076,491,885
15.	Contract No.: 3801 APM and BHS Tunnels on Existing Airport Island	14 June 2017	2,370,896,942
16.	Contract No.: P560(R) Aviation Fuel Pipeline Diversion Works	29 July 2015	1,289,000,000
Total:			\$48,063,386,340

The Detailed Funding Plan and Indicative Implementation Timeline



Source: AAHK, 3RS Consultancy Study: Detailed Funding Plan for Three-runway System (3RS) at HKIA – Financial Advisor Report, HSBC (2017)

Notes:

1. Revolving bank facilities serve to provide liquidity only and do not form part of the core debt funding required for the 3RS.
2. As market conditions and the terms of different instruments would vary from time to time, ranges indicating the potential issuance sizes for each debt instrument in the medium term are used to provide flexibility for AAHK to optimise the choice of instruments closer to the time of fund raising.
3. For the avoidance of doubt, the total aggregate debt issuance across all instruments in the recommended funding plan is not expected to exceed the debt requirement to fund the 3RS.
4. HKD55-78 billion represents the summation of the lowest and highest range of each debt instrument type.