

## **ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE**

### **HEAD 158 – GOVERNMENT SECRETARIAT : TRANSPORT AND HOUSING BUREAU (TRANSPORT BRANCH)**

#### **Subhead 000 Operational expenses**

Members are invited to recommend to Finance Committee the creation of the following permanent post in the Transport Branch of the Transport and Housing Bureau with effect from 1 April 2020 or with immediate effect upon approval of the Finance Committee, whichever is later –

1 Administrative Officer Staff Grade C  
(D2) (\$171,200 - \$187,150)

### **PROBLEM**

Maritime and port industry is a highly competitive global business which often faces challenges and opportunities arising from the changing international political and economic landscape. The Transport Branch of the Transport and Housing Bureau (THB(TB)) needs dedicated long-term staffing support at the directorate level to formulate, implement and oversee initiatives in fostering the sustainable development of the maritime trade in Hong Kong, thereby enhancing our position as an international maritime centre.

### **PROPOSAL**

2. We propose to make permanent a supernumerary Administrative Officer Staff Grade C (AOSGC) (D2) post, currently designated as Principal Assistant Secretary for Transport and Housing (Transport)11 (PAS(T)11), which

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will lapse on 1 April 2020, in Division 5 of the THB(TB) with effect from 1 April 2020 or with immediate effect upon approval of the Finance Committee (FC), whichever is later.

## JUSTIFICATION

### Promotion of Maritime and Port Development

3. Hong Kong has a vibrant and full-fledged maritime cluster. Throughout the years, the Government attaches paramount importance to strengthening the growth of the three sectors of the industry, viz. –

- (a) the port and related sector, which involves the terminal operation, midstream operation, port facilities and storage of Hong Kong Port (HKP);
- (b) the shipping sector, which includes activities on ship owning and operation, inland water transportation and cargo forwarding; and
- (c) the maritime services sector, which refers to ancillary and professional services that support sea-transportation businesses.

4. It is the Government's policy commitment to consolidate and enhance Hong Kong's position as an international maritime centre. Since the supernumerary post of PAS(T)11 was created in November 2015, the holder of the post has taken forward multiple measures on the development of high value-added maritime services, facilitation for the shipping sector, as well as overall industry promotion and support for the Hong Kong Maritime and Port Board (HKMPB). Over time, the maritime and shipping portfolios have grown in complexity and volume, and the relevant measures should be constantly reviewed to take account of the evolving international and regional development trends. There is thus a pressing need for dedicated long-term support within the THB(TB) to undertake the policy and administrative work for promoting the long-term development of the maritime and shipping industry.

#### (i) *Developing Hong Kong as a Maritime Services Hub*

5. At present, over 800 shipping-related companies are operating in Hong Kong, conducting businesses for clients both at home and abroad. Their scope of business spans across ship owning, operation and management; ship broking and agency; maritime-related financial, insurance and legal services, as well as classification societies and surveying.

6. In the light of the intense competition with neighbouring ports in recent years, relying on the port sector alone can no longer bring strong and sustained impetus for Hong Kong's continued economic growth. Whilst continuing to facilitate the port sector to enhance its operational efficiency, the industry is moving towards developing high value-added maritime services leveraging our edges in professional services. The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) Development, with the vision of developing the GBA into the top bay area cluster in the world by 2030, also recognises Hong Kong's strengths in driving the growth of the professional maritime services in the Area.

7. Among the maritime services, ship finance, marine insurance and maritime arbitration are businesses with clear growth potentials. To facilitate their respective development, PAS(T)11 has been providing pertinent policy inputs for Deputy Secretary for Transport and Housing (Transport)5 (DS(T)5) in formulating a package of initiatives announced in the 2018 and 2019 Policy Addresses.

*(a) Ship Finance*

8. Ship finance is a fast growing business. In the past decade, shipping loans and advances in Hong Kong have surged by an average of 9.3% per year, amounting to \$121.2 billion in 2018. Within ship finance, ship leasing is a new business model with growing prevalence in the global shipping industry, particularly in the Mainland.

9. To develop Hong Kong as a ship leasing centre in the Asia-Pacific region, the Transport and Housing Bureau (THB) had set up a dedicated Task Force on Ship Leasing under the HKMPB in late 2018 to devise the details of the relevant tax measures for providing profits tax concessions to qualifying ship lessors and qualifying ship leasing managers. PAS(T)11 served as the secretary of the Task Force, provided policy inputs to the study, and coordinated the Task Force's deliberation as well as industry consultation process. Our target is to introduce the legislative amendments to the Inland Revenue Ordinance into the Legislative Council (LegCo) in the first quarter of 2020.

10. Apart from taking forward the legislative exercise on ship leasing, THB will map out a series of promotion strategies and initiatives to publicise the new tax regime upon the passage of the legislative amendments, including holding briefings and meetings with targeted industry associations and companies in Hong Kong; making use of the opportunities during the HKMPB overseas and Mainland

/promotion .....

promotion visits, exhibitions and participation in various regional and international maritime events and conferences to promote the new tax concessionary measure to relevant maritime authorities, banking institutions and leasing companies; and preparing for promotion publications and materials for dissemination. PAS(T)11 will oversee the implementation of the new regime and conduct regular review on its effectiveness.

(b) Marine insurance

11. Shipping is a high risk business because any delay in delivery of cargoes may lead to a huge loss, and marine insurance is widely regarded as the oldest form of indemnity. At present, there are close to 90 local and foreign insurance companies offering marine insurance products in Hong Kong. In 2018, the total gross premiums of the overall marine insurance business amounted to over \$2,400 million, registering an average annual growth of 8.2% during the past decade.

12. Hong Kong is also a hub for Protection and Indemnity (P&I) business. Twelve out of the 13 members of the International Group of P&I Clubs (which underwrite over 90% of the world's tonnage) are present in Hong Kong, making our city the largest P&I cluster outside London. China Shipowners Mutual Assurance Association, which is not yet a member of the International Group of P&I Clubs, is also represented in Hong Kong.

13. To enhance Hong Kong's competitiveness as an international insurance hub, a 50% profit tax rate concession is proposed for, among others, marine insurance business. The initiative will offer incentive for more eligible insurance companies to start or expand business in Hong Kong. The relevant legislative amendments were introduced into the LegCo in December 2019. Similar to the ship leasing tax regime, upon passage of the amendments, THB will work together with the Financial Services and the Treasury Bureau and the Insurance Authority on the constant review of the policy and the promotion of the new marine insurance tax concessionary measures, with a view to attracting more overseas and Mainland maritime insurance bodies and companies to set up presence in Hong Kong.

(c) Maritime arbitration

14. Maritime arbitration is a commonly adopted dispute resolution mechanism in the shipping industry. With our strategic location at the heart of the Asia-Pacific region and being a common law jurisdiction, Hong Kong is one of the

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prominent dispute resolution centres in the region. The Hong Kong Maritime Arbitration Group (HKMAG), which was set up as a division under the Hong Kong International Arbitration Centre (HKIAC) in 2000, has recently become an independent specialist institution to enhance the competitiveness of Hong Kong's maritime arbitration and to promote wider use of such services. At present, there are, respectively, 90 and 46 arbitrators practising in Hong Kong as well as various overseas jurisdictions on the HKIAC's Panel of Arbitrators and List of Arbitrators, who have expertise in maritime arbitration. According to HKIAC, a cumulative total of 192 maritime arbitrations were submitted to HKIAC from 2014 to 2018. During the same period, HKMAG members were appointed on 475 occasions in maritime arbitration proceedings<sup>1</sup>.

15. Together with the industry, the Government has stepped up efforts in promoting Hong Kong's arbitration services to the Mainland and overseas maritime community. In March 2019, a HKMPB delegation visited Denmark and Norway. Among other things, a meeting was held with the Baltic and International Maritime Council (BIMCO) to share the strengths of Hong Kong's maritime arbitration services. Following the positive exchanges then, BIMCO announced in early December 2019 their decision to include Hong Kong as the fourth arbitration venue in the standard dispute resolution clause of its maritime contract. Looking ahead, THB will further work with the Department of Justice to develop new measures to promote the maritime arbitration and legal services. For instance, a publicity strategy will be devised and implemented to promote the positive development under the BIMCO. We will also extend invitations to local and overseas legal and arbitration institutions to organise events and initiatives during the Hong Kong Maritime Weeks (HKMWs).

*(d) Commercial principals*

16. Separately, the Government reckons that commercial principals (including ship operators, managers and agents) are the important core of the maritime cluster generating business demand for sea-transportation and related maritime services. As announced in the 2019 Policy Address, we have taken on board the industry's suggestion and are planning to implement tax concessionary measures to encourage more commercial principals to use Hong Kong as their operating base of maritime business. We will, in partnership with the HKMPB,

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<sup>1</sup> The above figures do not cover all arbitration cases conducted in Hong Kong as they only reflect the number of cases submitted to/handled by HKIAC and HKMAG, but have yet to include arbitration cases administered by other arbitral institutions, ad hoc arbitration cases, arbitration cases not seated in Hong Kong but heard in Hong Kong, etc. Therefore, the actual extent of arbitration activities in Hong Kong is expected to be higher.

initiate a research with a view to devising suitable and feasible tax measures taking due account of the broad scope of business of the commercial principals. PAS(T)11 will take the lead in working with relevant bureaux and departments and consulting the industry throughout the process.

17. In the longer term, PAS(T)11 will identify the challenges and opportunities facing the maritime industry at a macro and global level and on an on-going basis, and accordingly continue to formulate timely measures for various maritime sub-sectors. For instance, the application of innovation and technology, including digitalisation and blockchain, is increasingly common among the maritime and port enterprises. Dedicated support is required to monitor the development trends, risks and implications of such evolving technology, and assess whether and how the Government may support the industry. Besides, PAS(T)11 will explore the merits and specific ways to support and attract other maritime services to Hong Kong, such as ship broking and ship agency.

*(ii) Creating a Business-friendly Environment for the Shipping Sector*

18. Since shipping and maritime business operation often straddles across several policy portfolios, PAS(T)11 has been coordinating with other relevant bureaux and departments in drawing up suitable facilitation measures for the industry.

19. Through inter-departmental cooperation, the Government in early 2017 lifted the maximum hours of stay for feeders holding a multiple entry permit. This measure is conducive to river trade business operation. Besides, we have been implementing an immigration facilitation arrangement since December 2017 to enable the crew of ocean going vessels to remain in Hong Kong for more than 14 days through an employment visa or entry permit should the concerned vessel need to stay in Hong Kong for a longer period due to unforeseeable circumstances. Another upcoming facilitation measure is to revise the air draft restriction level at Tsing Ma Bridge currently stipulated in Schedule 5 to the Shipping and Port Control Regulations (Cap.313A) to cater for the passage of mega ocean-going vessels.

20. In addition, PAS(T)11 works closely with the Marine Department (MD) in exploring possible service enhancement of the Hong Kong Shipping Register (HKSR). Currently being the fourth largest shipping register in the world in terms of total registered gross tonnage, HKSR performs well in both tonnage and fleet quality. As at end October 2019, 2 610 ships with a total gross tonnage of around 128 million have been registered with HKSR, representing an

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increase of 3.5% in gross tonnage from a year ago. Hong Kong registered ships are also among the best performers in the world, with an average port state control detention rate of only 0.82% in 2018, compared with the global average of 2.68%.

21. To keep up with the global maritime industry trends and render better support for ship owners and operators of Hong Kong registered ships, we have been enhancing HKSR's services. Examples include the introduction of the round-the-clock ship registration services and technical advice services on a need basis, enhanced arrangement in disseminating the latest HKSR's requirements on international conventions, the facilitation of the collection of ships' Certificates of Registry (COR) by shipowners/operators through selected overseas and Mainland Economic and Trade Offices (ETOs) and Liaison Units, as well as the provision of an online authentication system to enable shipowners or foreign port authorities to verify the validity of the COR issued by MD. On the whole, services and regulation of the HKSR are considered very efficient and user-friendly.

22. In the short term, PAS(T)11 will keep working with MD on the preparation, implementation and review of a number of HKSR enhancement measures, viz. –

- (a) establishment of seven HKSR Regional Desks in selected overseas or Mainland ETOs by phases to provide more direct and prompt support for ship owners of Hong Kong registered ships and enhance regulation;
- (b) delegation of power currently vested with Director of Marine in issuing exemptions to other officers of the MD; and
- (c) facilitating the use of electronic certificates.

23. In the longer run, dedicated directorate support is crucial to the continuous assessment of the needs of the trade. Specifically, we note that the International Maritime Organization has resolved to take forward various environmental requirements, e.g. reduction of greenhouse gas emissions by 2050. Where suitable and appropriate, PAS(T)11 will support DS(T)5 in exploring further trade facilitation in areas of environmental conservation, port operation, shipping and customs procedures, in consultation with relevant bureaux and departments.

*/(iii) .....*

(iii) *Strengthening Promotion and Collaboration with Overseas and Mainland Maritime Economies*

24. Apart from sector-specific support, PAS(T)11 is responsible for formulating overall strategies to raise Hong Kong's maritime profile and sustain the growth momentum of the maritime industry. To step up promotion efforts of Hong Kong's maritime trade to overseas and Mainland counterparts, the post holder has organised, supported and/or personally taken part in a number of HKMPB promotion visits to various destinations, including Athens, London, Hamburg, Tokyo, Shanghai, Beijing, Guangxi, Copenhagen, Oslo and Bergen. We have set up Hong Kong Pavilions in major international maritime exhibitions, including the Posidonia in 2016 and 2018, as well as Marintec China in 2017 and 2019.

25. With the concerted efforts of the industry and the Government, the HKMPB and Maritime London of the United Kingdom signed a Memorandum of Understanding in September 2017. Following that, reciprocal delegation visits to the HKMW 2018 and London International Shipping Week 2019 were organised to forge closer ties and collaboration between the two cities. Moreover, one of the most renowned maritime organisations, the International Chamber of Shipping (ICS), has recently established its first-ever ICS (China) Liaison Office in Hong Kong. The setting up of the ICS Liaison Office would help build a closer connection between the international and Mainland shipping community via Hong Kong.

26. External promotion aside, PAS(T)11 has been planning and organising the HKMWs since 2016 in collaboration with the industry. The HKMWs aim at uniting local maritime industry and showcasing Hong Kong's strengths as a preferred base for operating maritime business. The 2019 HKMW was held from 17 to 23 November with around 40 events staged by local and international maritime bodies.

27. In future, PAS(T)11 will continue to organise the HKMWs, coordinate and encourage government and industry participation in international and regional maritime exhibitions and trade fairs as well as arrange promotion visits by HKMPB and government delegations to overseas and Mainland maritime cities to promote Hong Kong's strengths as an international maritime centre. At the same time, THB will work closely with the Invest Hong Kong, which has set up a dedicated maritime desk to take a more focused approach to reach out to overseas and Mainland maritime companies. Between July 2018 and June 2019, the maritime desk has set up some 290 meetings with relevant companies and is currently closely following up with around 40 of them. PAS(T)11 will continue to play a key role in meeting and

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briefing targeted companies on the overall port and maritime development in Hong Kong, respective government policies and business facilitating measures with a view to attracting them to expand business and/or set up presence in Hong Kong. Past experience affirms that such external promotional and outreaching efforts need to be conducted in a continual manner in order to achieve the desired results.

*(iv) Establishment and Operation of the HKMPB*

28. As announced in the 2015 Policy Address, the Government would set up a new maritime body to promote Hong Kong's maritime industry. Based on the recommendations of the Business Case Study Consultant, PAS(T)11 assisted DS(T)5 in firming up the institutional set-up and modus operandi of the new body, seeking necessary resources for its formation and operation, and gauging support of the industry.

29. The HKMPB was subsequently established in April 2016. Chaired by the Secretary for Transport and Housing, the HKMPB is composed of a comprehensive representation of the industry. It serves as a high-level tripartite platform for the Government to work in partnership with the various maritime and port sectors as well as industry associations/institutions. Three Sub-committees, all convened by industry figures, have been formed to steer the work in the areas of maritime and port development, manpower development and promotion and external relations.

30. Since its inception, PAS(T)11 provides secretariat support for the HKMPB to ensure smooth operation of the main Board and its three Subcommittees. Regular meetings have been held to explore and advocate policies and initiatives that are conducive to the further growth of the industry, notably the tax concession for ship leasing business and service enhancement for the HKSR amongst many others mentioned above. The HKMPB enables the Government to work closely with the trade, to grasp the latest development trends and future prospects of the industry in a timely and accurate manner, and to devise policy directions and measures that suit the needs of specific sectors. In future, PAS(T)11 will continue to render administrative support to the HKMPB to ensure its continued effective operation and to formulate and take forward newly identified initiatives, such as those in relation to technological application and sustainable shipping mentioned in paragraphs 17 and 23 above.

**/Need .....**

**Need for a permanent AOSGC post**

31. At present, Division 5 of THB(TB) is responsible for policy matters in relation to maritime, port and logistics. The Division is headed by DS(T)5, ranked at the Administrative Officer Staff Grade B (AOSGB)(D3) level. Insofar as the maritime portfolio is concerned, DS(T)5 is underpinned by two directorate officers, one of which being the existing supernumerary PAS(T)11 post, and the other ranked at Principal Marine Officer (D1) as Chief Assistant Secretary (Transport) (CAS(T)) who provides support for maritime manpower training, port and marine facilities development and local vessel trade.

32. PAS(T)11 is responsible for the policy and measures concerning the overall maritime development in Hong Kong. When the supernumerary post was created in November 2015, we undertook to review the long-term requirement for directorate support for the maritime portfolio taking into account the work progress at different fronts.

33. Practical experience is that the maritime and port industry is a highly competitive global business susceptible to influences of externalities. The evolving international trade and global economic landscape often presents changing challenges as well as opportunities to Hong Kong's maritime sector. This calls for constant review and development of policy initiatives and facilitation measures amidst the increasingly keen competition from other maritime economies in the region and globally. Meanwhile, the maritime industry comprises many subsectors that cut across a wide spectrum of issues and concerns. Sustained and well-coordinated government policy support and measures across bureaux and departments are thus required to ensure that the Hong Kong maritime trade as a whole evolves in tandem with global changes and that the specific needs of different maritime segments are catered for. Given the need for on-going review of maritime related initiatives, the extensive scope of work, complexity of work nature and heavy workload involved, long-term full-time attention of a dedicated directorate officer with appropriate administrative and management experience and seniority is essential and suitable for the effective discharge of these duties.

34. An AOSGC possesses the requisite policy vision and capability in formulating and implementing policies, the necessary experience in rendering intensive policy and legislative inputs; and the political acumen in engaging a broad range of stakeholders on issues straddling across various policy portfolios. In view of the above, we propose making permanent the existing supernumerary AOSGC post (i.e. PAS(T)11) to formulate and implement various initiatives and oversee their implementation.

35. The proposed permanent AOSGC post will keep the title of PAS(T)11. He/she will assist in conducting policy analysis and formulating policy proposals regarding the long-term development of the maritime and port industry; consult and liaise with industry players and other stakeholders on various initiatives; handle work related to legislative amendments and LegCo Panel consultation; oversee the implementation and review the effectiveness of measures; and provide continued secretariat support for the HKMPB. The job description of PAS(T)11 is at Enclosure 1.

Encl. 1

### **Non-directorate Support**

36. The proposed post of AOSGC in the THB(TB) will be supported by its existing team which comprises 11 non-directorate civil service posts (including seven permanent posts and four time-limited posts to be made permanent in 2020- 21). They will assist in planning and carrying out on-going and new policy initiatives, stepping up work on trade facilitation and promotion, serving the HKMPB Secretariat, and stakeholders engagement.

### **ALTERNATIVES CONSIDERED**

37. We have critically assessed whether the workload of PAS(T)11 can be absorbed by other Principal Assistant Secretaries (PASs) within the THB(TB). Since all the existing PASs are fully engaged in their own duties, it is operationally not possible for them to take up additional roles while not affecting their own existing work. Hence, it would be imminent to create a new permanent post dedicated to map out the development strategies and take forward the initiatives for the further development of the maritime and shipping industry in Hong Kong. The existing organisation charts of Division 5 and THB(TB) together with the major duties of its existing PASs are at Enclosures 2, 3 and 4 respectively.

Encls. 2 - 4

### **FINANCIAL IMPLICATIONS**

38. The proposed creation of the permanent AOSGC (D2) post will bring about an additional notional annual salary cost at mid-point of \$2,179,800 and the additional full annual average staff cost, including salaries and staff on-cost is about \$3,074,000. Moreover, making permanent four non-directorate general grades posts as mentioned in paragraph 36 will entail an additional notional annual salary cost at mid-point of \$3,233,820 and an additional full annual average staff cost, including salaries and staff on-cost, of about \$4,782,000. We have earmarked sufficient funding provision to meet the cost of the proposal.

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## PUBLIC CONSULTATION

39. We consulted the Panel on Economic Development on 26 November 2019 on the staffing proposal. Members generally supported the proposal in order to maintain directorate level support for the development of Hong Kong's maritime industry on a long-term basis, save for one Member who called for more detailed justifications for making the post a permanent one. Relevant information is included in the above paragraphs.

## BACKGROUND

40. In 2018, Hong Kong's freight volume through land, air and water transportation amounted to over 280 million tonnes, among which over 90% were transported by water, reflecting the importance of water transport to our economy. As an important component of Hong Kong's economy, the maritime and port industry directly contributes 1.1% (\$29 billion) to Hong Kong's Gross Domestic Products (GDP)<sup>2</sup> and provides 83 000 jobs, accounting for 2.1% of the total employment. It also underpins the development of trade and logistics industry, which accounts for around 21% of Hong Kong's GDP and around 19% of total employment.

41. Following the 2014 and 2015 Policy Addresses, the Government secured FC's approval on 27 November 2015 to create the supernumerary PAS(T)11 post on a time-limited basis up to 31 March 2020. The post was tasked to take forward the establishment of a new maritime body, formulate strategies to further promote the development of the maritime trade, and devise plans and strengthen the support for manpower development of the maritime sector.

## ESTABLISHMENT CHANGES

42. The establishment changes under Head 158 — Government Secretariat: THB (TB) for the past three years are as follows –

Establishment (Note)	Number of Posts			
	Existing (as at 1 January 2020)	As at 1 April 2019	As at 1 April 2018	As at 1 April 2017
A	20+(4)	20+(6)	20+(4)	20+(5)
B	63	62	57	55
C	128	122	121	117
<b>Total</b>	<b>211+(4)</b>	<b>204+(6)</b>	<b>198+(4)</b>	<b>192+(5)</b>

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<sup>2</sup> For the reference year of 2018 (preliminary figures).

Note:

- A - ranks in the directorate pay scale or equivalent
- B - non-directorate ranks, the maximum pay point of which is above MPS point 33 or equivalent
- C - non-directorate ranks, the maximum pay point of which is at or below MPS point 33 or equivalent
- ( ) - number of supernumerary directorate posts

**CIVIL SERVICE BUREAU COMMENTS**

43. The Civil Service Bureau supports the proposal to make permanent the supernumerary PAS(T)11 post. The grading and ranking of the proposed post are considered appropriate having regard to the level and scope of responsibilities.

**ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE**

44. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the permanent directorate post is appropriate.

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Transport and Housing Bureau  
January 2020

**Job Description**  
**Principal Assistant Secretary (Transport) 11**

**Rank** : Administrative Officer Staff Grade C (D2)

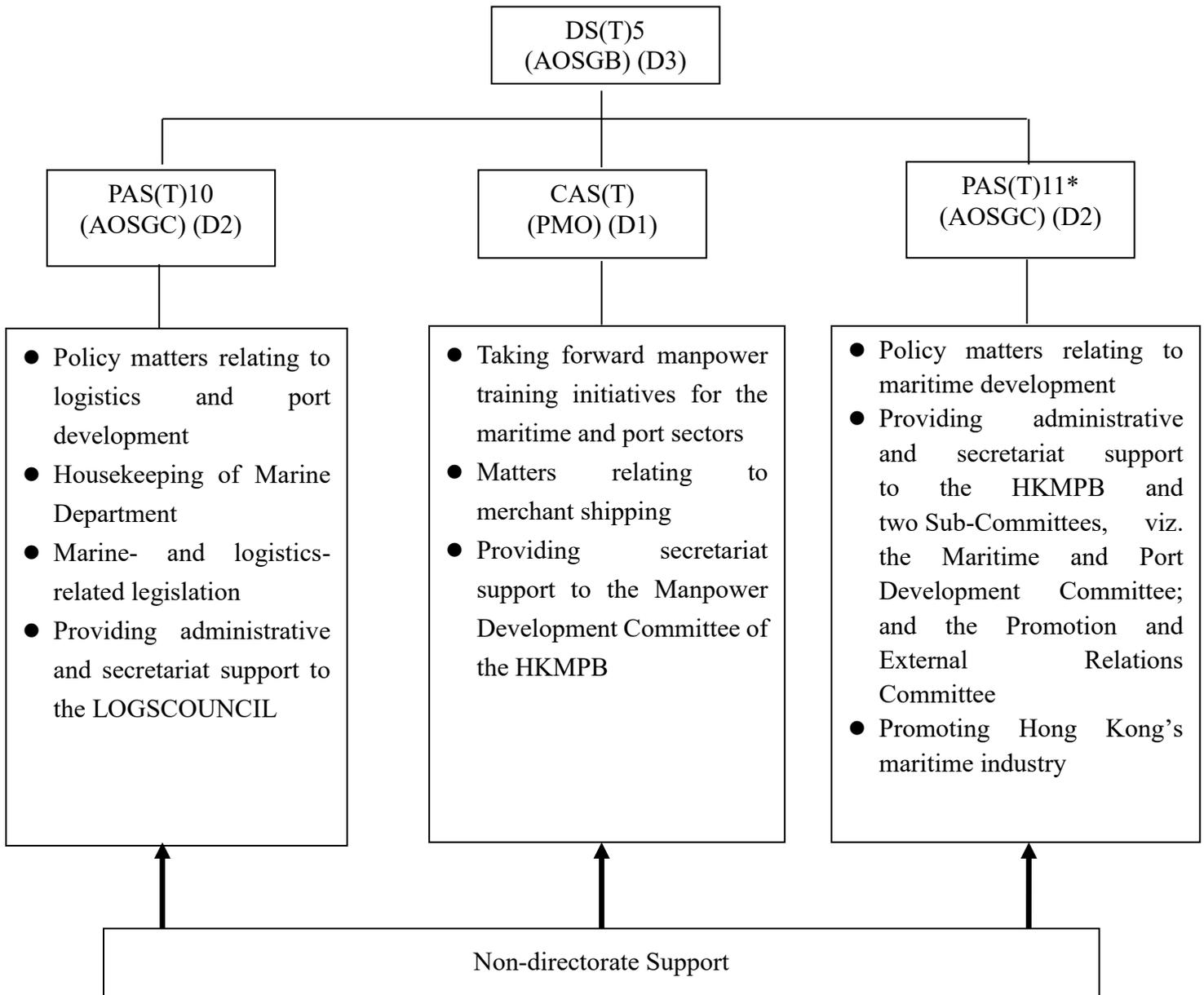
**Responsible to** : Deputy Secretary for Transport and Housing (Transport) 5  
(DS(T)5)

**Main Duties and Responsibilities –**

1. To assist DS(T)5 to lead and manage the secretariat for the Hong Kong Maritime and Port Board (HKMPB), and follow up on initiatives endorsed by the HKMPB and its committees, including local and overseas marketing and promotional events/visits, holding seminars and exhibitions, and organising community awareness events.
2. To assist DS(T)5 in formulating and implementing policy initiatives for the development of high value-added maritime services in Hong Kong and to enhance Hong Kong's development of a maritime cluster and position as an international maritime centre (IMC), including industry consultation, seeking approvals from Legislative Council etc., and overseeing the related work.
3. To assist DS(T)5 in conducting thematic studies related to development trends of the maritime industry in the international and Mainland markets, and supporting the HKMPB to conduct consultancy studies/policy research etc.
4. To oversee the implementation of related initiatives to promote Hong Kong's maritime industry, such as the Hong Kong Maritime Weeks and overseas promotional visits, with a view to strengthening Hong Kong's role as an IMC.

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**Organisation Chart of Division 5 of the  
Transport Branch of the Transport and Housing Bureau**



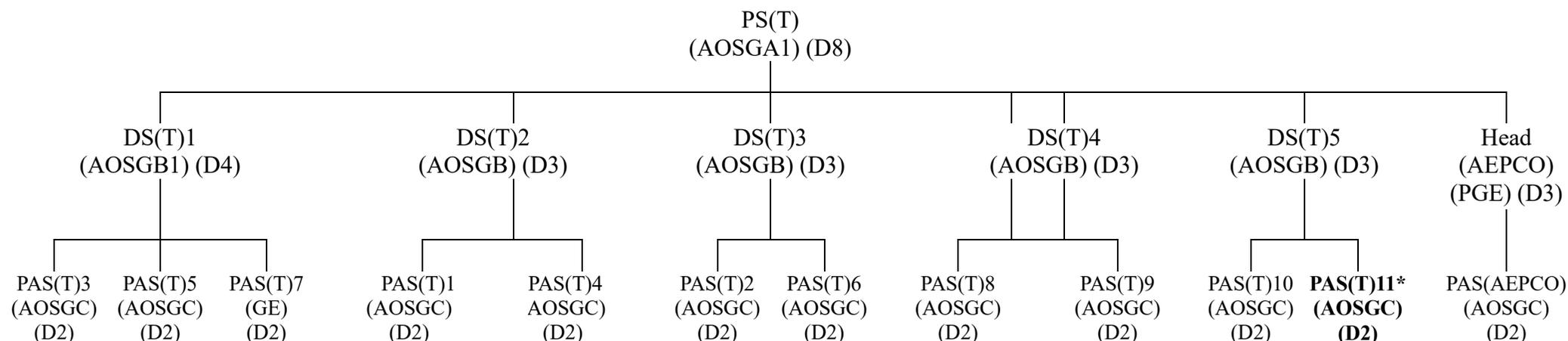
**Remarks**

\* Supernumerary directorate post proposed to be made permanent

**Legend**

- |             |   |
|-------------|---|
| AOSGB       | - Administrative Officer Staff Grade B                                |
| AOSGC       | - Administrative Officer Staff Grade C                                |
| CAS(T)      | - Chief Assistant Secretary for Transport and Housing (Transport)     |
| DS(T)       | - Deputy Secretary for Transport and Housing (Transport)              |
| PAS(T)      | - Principal Assistant Secretary for Transport and Housing (Transport) |
| PMO         | - Principal Marine Officer  |
| HKMPB       | - Hong Kong Maritime and Port Board                                   |
| LOGSCOUNCIL | - Hong Kong Logistics Development Council                             |

**Existing and Proposed Organisation Chart of  
Transport Branch, Transport and Housing Bureau<sup>#</sup>**



**Legend**

AEPCO - Airport Expansion Project Coordination Office  
 AOSGA1 - Administrative Officer Staff Grade A1  
 AOSGB - Administrative Officer Staff Grade B  
 AOSGB1 - Administrative Officer Staff Grade B1  
 AOSGC - Administrative Officer Staff Grade C

DS(T) - Deputy Secretary for Transport and Housing (Transport)  
 GE - Government Engineer  
 PAS(T) - Principal Assistant Secretary for Transport and Housing (Transport)  
 PGE - Principal Government Engineer  
 PS(T) - Permanent Secretary for Transport and Housing (Transport)

**Note**

# Excluding posts below D2 level  
 \* Supernumerary AOSGC post proposed to be made permanent

**Main Duties and Responsibilities of  
the other Principal Assistant Secretaries  
in the Transport Branch (PAS(T)s) of the Transport and Housing Bureau**

All the PAS(T)s of the Transport and Housing Bureau are fully engaged in their respective duties. Their major duties and work priorities are set out in the following. They have no spare capacity to take up the additional duties of the proposed directorate post of an Administrative Officer Staff Grade C (D2).

**PAS(T)1**

- Overseeing the transport policies on franchised buses, public light buses, taxis and trams
- Overseeing the fare adjustment arrangement for the above mentioned public transport services and policy issues relating to fare adjustment applications from these public transport operators
- Overseeing the transport policy on non-franchised public bus services
- Overseeing the transport policy on the co-ordination of services among different modes of public transport
- Overseeing the coordination of the implementation of measures under the Public Transport Strategy Study

**PAS(T)2**

- Overseeing matters relating to the Transport Advisory Committee and the Transport Complaints Unit
- Housekeeping and evaluating policy matters relating to toll roads, Build-Operate-Transfer tunnels and government tunnels
- Dealing with policy work on road safety
- Dealing with policy work on traffic management
- Overseeing the application of IT to traffic management
- Co-ordination of Bureau's inputs on transport-related environmental issues
- Housekeeping of Transport Department

/PAS(T)3 .....

### **PAS(T)3**

- Policy input into various strategic and regional transport planning studies and dealing with all town planning matters
- Policy input on the implementation of Railway Development Strategy 2014 (projects in North West New Territories and South Island Line (West))
- Policy work relating to the outstanding works of the Guangdong-Shenzhen-Hong Kong Express Rail Link, and the planning of the proposed Hong Kong-Shenzhen Western Express Line
- Transport planning and tourism
- Overall transport policy co-ordination
- Coordination of Legislative Council Business

### **PAS(T)4**

- Overseeing and monitoring the transport policies and administrative matters concerning the operation of and services provided by Mass Transit Railway Corporation Limited
- Overseeing the policy on railway safety
- Overseeing the transport policies on ferries
- Overseeing transport policy issues relating to Octopus
- Overseeing the policy and implementation of the park and ride scheme

### **PAS(T)5**

- Policy work relating to transport capital projects
- Policy work relating to the planning and implementation of the Hong Kong-Zhuhai-Macao Bridge and related Hong Kong infrastructure projects
- Securing resources for highway infrastructure projects by overseeing the Capital Works Reserve Fund - Resource Allocation Exercise submissions and project feasibility studies and presenting items to Public Works Subcommittee/Finance Committee for funding approval

/Implementation .....

- Implementation of approved projects and assisting in resolving difficulties
- Administration of the Secretary for Transport and Housing's responsibilities under the Roads (Works, Use and Compensation) Ordinance
- Overseeing the Northwest New Territories Traffic and Infrastructure Review
- Housekeeping of Highways Department

#### **PAS(T)6**

- Overseeing policy matters relating to vehicle and driver licences and driver training
- Overseeing the quota regime on cross-boundary coaches, hire cars and private cars
- Overseeing cross-boundary vehicular traffic at land crossings
- Co-ordination of Bureau's inputs on cross-boundary transport related issues
- Overseeing cross-boundary ferry services and operation of cross-boundary ferry terminals
- Overseeing matters relating to the Transport Tribunal

#### **PAS(T)7**

- Formulating Transport and Railway Development Strategies
- Policy input on the implementation of Railway Development Strategy 2014 (projects in urban area and on Lantau Island)
- Policy input on the outstanding work under the West Island Line project
- Overseeing the implementation of the Shatin to Central Link project
- Overseeing the review of strategic highway projects
- Overseeing the Third Comprehensive Transport Study and Second Railway Development Study model updates
- Overall administration of Railways Ordinance and dealing with objections under Railways Ordinance

**/PAS(T)8 .....**

**PAS(T)8**

- Assisting in policy matters relating to airport development, and housekeeping of the Airport Authority Hong Kong (AAHK).
- Taking charge of air services negotiations/air transport policy in relation to Africa, other parts of China, Europe, Central Asia, Indian Sub-continent, and the Middle East

**PAS(T)9**

- Assisting in policy matters relating to civil aviation management, and housekeeping of the Civil Aviation Department
- Taking charge of air services negotiations/air transport policy in relation to Southeast and Northeast Asia, Australasia and America; and overflight agreements and air transport related matters in Asia-Pacific Economic Cooperation, Organisation for Economic Cooperation and Development and the World Trade Organisation
- Serving as Secretary to the Air Transport Licensing Authority

**PAS(AEPCO)**

- Assisting in the formulation of the overall strategy for the development and implementation of the Three-Runway System (3RS) Project
- Co-ordinating with AAHK, relevant Bureaux/Departments and stakeholders in the planning and implementation of the 3RS Project
- Assisting in the formulation of public consultation plans and participating in public engagement exercise for the development and implementation of the 3RS Project
- Reviewing AAHK's financial proposals, advising AAHK on the financial arrangements for the smooth delivery of the 3RS Project and assisting in monitoring the expenditure of the works undertaken by AAHK
- Providing support for seniors' participation in various meetings related to the 3RS Project

Note: Major duties of PAS(T)11 and PAS(T)10 under Division 5 are set out at Enclosures 1 and 2.

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