

立法會 *Legislative Council*

LC Paper No. CB(4)685/20-21
(These meeting notes have been
seen by the Administration)

Ref : CB4/PL/EDEV

Panel on Economic Development

**Notes of informal meeting
for policy briefing by videoconferencing
held on Thursday, 31 December 2020, at 2:30 pm**

Members present : Hon Christopher CHEUNG Wah-fung, SBS, JP
(Chairman)
Hon Starry LEE Wai-king, SBS, JP (Deputy Chairman)
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, BBS
Hon Elizabeth QUAT, BBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Jimmy NG Wing-ka, BBS, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon LUK Chung-hung, JP
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

Member attending : Hon Michael TIEN Puk-sun, BBS, JP

Members absent : Hon CHAN Hak-kan, BBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Steven HO Chun-yin, BBS
Hon CHUNG Kwok-pan
Dr Hon CHENG Chung-tai

Public Officers attending : Briefing by the Secretary for Transport and Housing on the Chief Executive's 2020 Policy Address

Transport and Housing Bureau

Mr Frank CHAN, JP
Secretary for Transport and Housing

Ms Mable CHAN, JP
Permanent Secretary for Transport and Housing (Transport)

Dr Raymond SO, BBS, JP
Under Secretary for Transport and Housing

Miss Agnes WONG, JP
Director of Marine

Mr Victor LIU, JP
Director-General of Civil Aviation

Mr Wallace LAU, JP
Deputy Secretary for Transport and Housing (Transport)4

Ms Christina CHONG
Deputy Secretary for Transport and Housing (Transport)5

Mr Raymond CHENG
Head (Airport Expansion Project Coordination Office),
Transport and Housing Bureau

Briefing by the Secretary for Commerce and Economic Development on the Chief Executive's 2020 Policy Address

Commerce and Economic Development Bureau

Mr Edward YAU, GBS, JP
Secretary for Commerce and Economic Development

Miss Eliza LEE, JP
Permanent Secretary for Commerce and Economic
Development (Commerce, Industry and Tourism)

Mr Joe WONG, JP
Commissioner for Tourism

Mr Eric CHAN, JP
Deputy Secretary for Commerce and Economic
Development (Commerce and Industry)2

Ms Betty HO
Deputy Secretary for Commerce and Economic
Development (Commerce and Industry)3

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

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

Ms Lauren LI
Council Secretary (4)5

Miss Mandy LUI
Clerical Assistant (4)5

Action **Briefing by the Secretary for Transport and Housing on the Chief
Executive's 2020 Policy Address**
[LC Paper No. CB(4)267/20-21(04)]

The Panel deliberated (index of proceedings attached at **Annex**).

Declaration of interest

2. Ir Dr LO Wai-kwok declared that he was a member of the Board of the
Airport Authority Hong Kong ("AAHK").

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Discussion

3. The Chairman reminded members that as this meeting was an informal meeting, the Rules of Procedure of the Legislative Council would not apply and the privileges and immunities provided by the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) would not be available to the participants.

4. At the invitation of the Chairman, the Secretary for Transport and Housing briefed members on the relevant initiatives as stated in the 2020 Policy Address and Policy Address Supplement.

Development of the aviation industry and the airport island

5. Members noted that AAHK would inject equity in Zhuhai Airport on the basis of market principles with a view to achieving greater synergy between the two airports. They considered that the Hong Kong-Zhuhai airport cooperation would consolidate Hong Kong's role as an international aviation hub and opined that having a majority share in the equity injection would facilitate the future operation of AAHK in Zhuhai Airport. They sought information on the percentage share of AAHK's equity in Zhuhai Airport. The Administration advised that the cooperation with Zhuhai Airport would significantly expand the Hong Kong International Airport ("HKIA")'s catchment, air traffic movements per hour and the number of destinations to be served. The equity to be injected by AAHK would be subject to the mutual agreement between AAHK and Zhuhai Airport.

6. Given the anticipated increase in the number of transfer passengers at HKIA with the commissioning of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the completion of SKYCITY, members suggested that the relevant immigration process should be simplified and that check-in services should be made available at HZMB Hong Kong Port for the convenience of visitors.

7. In response to members' concern about the reallocation of the traffic rights after Cathay Dragon ceased operation in October 2020, the Administration advised that the relevant traffic rights had been returned to the Government. The Transport and Housing Bureau ("THB") had invited all local airlines to submit applications for the relevant traffic rights according to established mechanism. The Administration would take into account factors including enhancing healthy competition of the aviation industry and Hong Kong's status as an international aviation hub in considering the applications.

8. Members were concerned about the development of transport ancillary facilities on the airport island. Noting that AAHK planned to apply autonomous transportation system to connect the SKYCITY, the Hong Kong Boundary

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Crossing Facilities ("HKBCF") Island and HKIA, and to extend the system to Tung Chung Town Centre, members enquired about the related implementation timetable. The Administration advised that under the Airport City Link project, the HKBCF Island and the airport island would be connected in 2024, and the next step would be to connect Tung Chung Town Centre with the Airport City Link.

9. In response to members' enquiry about whether adequate trainings were provided to nurture talents for the aviation, maritime and logistics industries, the Administration advised that it attached great importance to grooming more talents for these industries. Apart from the Maritime and Aviation Training Fund, the Hong Kong International Aviation Academy ("the Academy") was established in 2016 to nurture talents for the aviation industry. The Academy had provided trainings to over 110 000 participants from 2016 to present. Furthermore, land on the HKBCF Island had also been reserved for the Academy's campus and dormitories.

Development of the maritime and port industries

10. Members urged the Administration to step up its promotional efforts to develop maritime and port industries in Hong Kong. Noting that the Government had commissioned the Hong Kong Maritime and Port Board ("HKMPB") to set up a dedicated task force to study tax measures with a view to encouraging more shipping commercial principals to establish presence in Hong Kong, and that the two port back-up sites for developing multi-storey port back-up and modern logistics facilities would be released by phases through public tender starting 2021, members sought information on the relevant details and timetable. The Administration advised that the task force under HKMPB had commenced its work, and that a decision was expected to be reached in the second half of 2021. Furthermore, the Administration was currently working on the tender documents related to the two port back-up sites with a view to disposing of the sites in 2021.

11. Members considered that the quarantine requirement imposed by the Government on ocean-going vessels without cargo operations which intended to receive bunkering services in Hong Kong due to the Coronavirus Disease 2019 ("COVID-19") pandemic had severely impacted on the survival of some 170 bunkering vessels and 1 000 practitioners. They called on the Administration to review the relevant arrangements in order to sustain the survival of the industry. The Administration explained that such arrangements were part of the anti-pandemic measures in accordance with the principle of "preventing the importation of COVID-19 cases and the spreading of the virus in the community". The measures would be adjusted when the pandemic was under control.

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Support to affected sectors during the pandemic

12. Members were concerned about the impact of the quarantine requirements imposed by the Mainland on the livelihood of cross boundary goods vehicle drivers of Hong Kong under the COVID-19 pandemic, and urged the Administration to provide support to these drivers. The Administration advised that it had been communicating with the Shenzhen and Zhuhai authorities in this regard. However, given the current pandemic situation in Hong Kong, the exemption for Hong Kong cross boundary goods vehicle drivers from compulsory quarantine in the Mainland would be suspended for a short period of time if they resided in a mansion/estate where there was a confirmed case of COVID-19. The Administration would continue to monitor the situation and provide suitable assistance to these drivers.

13. Members were concerned about the significant decrease in the supply of construction materials from Mainland during the pandemic. They urged THB to collaborate with the Development Bureau ("DEVB") in formulating measures to ensure adequate supply of construction materials for use by the construction industry in Hong Kong. The Administration advised that more than 60% of the cargoes coming to Hong Kong from Mainland through river barges were related to the construction industry. While the operation of the barges had resumed normal at the moment, the Administration would continue to communicate with the relevant Mainland authorities on the quarantine requirements they had imposed on Mainland crew members of the river trade vessels running Guangdong-Hong Kong routes to minimize the adverse impact on the construction industry in Hong Kong. Meanwhile, THB and DEVB had been exploring the feasibility of stocking up construction materials.

Briefing by the Secretary for Commerce and Economic Development on the Chief Executive's 2020 Policy Address

[LC Paper No. CB(4)324/20-21(01)]

Discussion

14. At the invitation of the Chairman, the Secretary for Commerce and Economic Development briefed members on the relevant initiatives as stated in the 2020 Policy Address and Policy Address Supplement.

Relaunching the economy and revitalizing the tourism industry

15. Members considered it essential for Hong Kong to leverage on the opportunities brought by the Mainland's economic domestic circulation for driving Hong Kong's economic recovery. They urged the Administration to devise plans to relaunch the economy. The Administration advised that the

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Financial Secretary and the relevant bureaux had been working on initiatives relating to relaunching the economy. The Commerce and Economic Development Bureau ("CEDB") had all along been working on support measures for small and medium enterprises and the tourism industry. The Hong Kong Tourism Board had organized activities and carried out promotional initiatives with a view to maintaining international exposure of Hong Kong during the pandemic. CEDB also offered support for transformation of the tourism sector with a view to raising the competitiveness of the practitioners.

16. On members' suggestion that more attractions with cultural heritage should be explored to attract tourists and boost local economy, the Administration advised that one of the strategies in the Development Blueprint for Hong Kong's Tourism Industry was to nurture and develop tourism products and initiatives with local and international characteristics. The Administration would continue with the relevant work.

17. Given that cross-border travel had been suspended for 11 months, the vehicles and vessels used for cross-border travel would have to undergo maintenance or refurbishment before they could be operated again. Members suggested providing funds to support the operation of the owners of these vehicles and vessels when the borders reopened.

18. Members noted that the Administration would roll out additional relief measures for the tourism industry involving a total commitment close to \$600 million which benefited, among others, drivers of tour service coaches mainly serving tourists. They enquired why owners of the tour service coaches were not covered under the said relief measures. Furthermore, as inbound/outbound/local tours were suspended from time to time under the pandemic, members urged the Administration to extend the period of the Green Lifestyle Local Tour Incentive Scheme and the Travel Agents Incentive Scheme, which would end in March 2021, to mid-2021. Members also suggested according priority to frontline practitioners of the tourism industry to receive COVID-19 vaccination when tourism activities resumed. The Administration took note of members' suggestions and explained that as stated in the 2020 Policy Address, the relief measures were provided specifically for the tourism industry. Besides, the Administration would consider extending the term of the Green Lifestyle Local Tour Incentive Scheme taking into account the current epidemic situation locally.

19. Members enquired about the progress of the launch of the Air Travel Bubble ("ATB") arrangement with Singapore. The Administration advised that while the date of launching the ATB with Singapore had yet to be confirmed due to the prevailing epidemic situation in Hong Kong, the relevant ATB announced in November 2020 were still valid and might need minor refinements to provide greater certainties to travellers. The Administration had been maintaining close

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communication with Singapore on ATB and would announce the relevant details as soon as they were confirmed.

Ocean Park

20. Noting that the Administration was currently working on the rethink exercise for charting the way forward of Ocean Park ("OP"), members expressed concern that OP would become a financial burden of the Government and enquired about the progress of the exercise. The Administration advised that it had been working on formulating the proposal for the rebirth of OP so as to transform it into a resort and leisure destination. The proposal together with the related financial arrangements and legislative amendments would be submitted to the Panel in January or February 2021.

21. Members enquired if new investors would be introduced with a view to commercializing OP's operation, while at the same time retaining its conservation and education functions. The Administration advised that it was open to the suggestion of introducing new investors to OP. However, investors might be very concerned about OP's financial situation and might not be interested in carrying out the park's conservation and education work due to cost considerations.

22. Members enquired about the schedule for the opening of Water World and were concerned if the Ocean Park Corporation ("OPC") could operate Water World on a self-financing basis given its high operating costs. They also expressed concern if additional financial burden would be imposed on OPC in its collaboration with non-governmental organizations for the rebirth of the Jumbo Floating Restaurant under the Invigorating Island South initiative. The Administration advised that the world-class all-weather Water World would be a very appealing attraction to both local and non-local visitors. If the situation allowed, the Administration would like it to be open as soon as possible. Besides, no extra burden would be brought to OPC in any collaboration plan related to the Jumbo Floating Restaurant.

Assisting professional services providers to go beyond Hong Kong

23. Members enquired about the measures to assist professional services providers to go beyond Hong Kong and suggested that the Administration should establish overseas Hong Kong Economic and Trade Offices in selected Belt and Road ("B&R") countries and regions to offer assistance to the professional services providers concerned. The Administration advised that while the relevant work on opening up more markets for Hong Kong's enterprises and professional services under the B&R Initiative would be continued, the Constitutional and Mainland Affairs Bureau also took forward similar initiatives in the Guangdong-Hong Kong-Macau Greater Bay Area.

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24. In response to members' concern about assisting professional services providers of the construction industry to go beyond Hong Kong, the Administration advised that it would continue to listen to the trade's views on issues like qualification recognition in entering the Mainland market.

25. There being no other business, the meeting ended at 4:31 pm.

Council Business Division 4
Legislative Council Secretariat
25 March 2021

**Proceedings of informal meeting
for policy briefing by videoconferencing
held on Thursday, 31 December 2020, at 2:30 pm**

Time marker	Speaker	Subject(s)	Action required
Briefing by the Secretary for Transport and Housing on the Chief Executive's 2020 Policy Address			
000505 – 001425	Chairman Administration	Briefing by the Administration	
001426 – 001909	Chairman Mr Frankie YICK Administration	Cooperation between the Hong Kong International Airport ("HKIA") and Zhuhai Airport Cross boundary helicopter services between Hong Kong and other cities in the Guangdong-Hong Kong-Macao Greater Bay Area ("the Greater Bay Area") Timetable for the study on tax measures to encourage commercial principals of maritime industry to establish presence in Hong Kong Tender exercise for the two port back-up sites for developing multi-storey port back-up and modern logistics facilities	
001910 – 002556	Chairman Ir Dr LO Wai-kwok Administration	Impact of the decrease in the number of barges from Mainland due to the pandemic on the supply of construction materials	
002557 – 002956	Chairman Mr Tony TSE Administration	Training of talents for the aviation and logistics industries to cater for the anticipated increase in demand Cooperation between Hong Kong and cities in the Greater Bay Area in relation to the development of cross boundary infrastructure	
002957 – 003632	Chairman Mr YIU Si-wing Administration	Measures for facilitating travellers to visit the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and SKYCITY	
003633 – 004229	Chairman Ms Elizabeth QUAT Administration	Impact of anti-pandemic measures on the marine bunkering services sector	

Time marker	Speaker	Subject(s)	Action required
004230 – 004938	Chairman Mr Michael TIEN Administration	Cooperation between HKIA and Zhuhai Airport Expansion of HKIA	
004939 – 005539	Chairman Mr LUK Chung-hung Administration	Training of talents for the maritime industry Administration's plans for the development of the maritime industry	
005540 – 010312	Chairman Mr Jeffrey LAM Administration	Preparation work for the "Quota-free scheme for Hong Kong private cars travelling to Guangdong via HZMB" Reallocation of the traffic rights of Cathay Dragon	
010313 – 011131	Chairman Mr Holden CHOW Administration	Support for cross boundary drivers affected by the new quarantine measures of the Mainland Development of transport ancillary facilities on the airport island in relation to the anticipated increase in the working population on the island Measures to tackle the heavy traffic on Lantau Island	
Briefing by the Secretary for Commerce and Economic Development on the Chief Executive's 2020 Policy Address			
011132 – 011713	Chairman Administration	Briefing by the Administration	
011714 – 012218	Chairman Mr Frankie YICK Administration	Coverage of relief measures for the tourism industry Funds for relaunching economic activities	
012219 – 012814	Chairman Mr YIU Si-wing Administration	Support for tourism industry Extension of subsidies provided to travel agents The FREE Tour Programme Coronavirus Disease 2019 vaccination for frontline practitioners of the tourism industry	
012815 – 013630	Chairman Mr Tony TSE Administration	Progress of the rethink exercise of Ocean Park ("OP") Administration's efforts in assisting	

Time marker	Speaker	Subject(s)	Action required
		professional services providers to go beyond Hong Kong Division of work among bureaux in relation to the Invigorating Island South initiative	
013631 – 014314	Chairman Ir Dr LO Wai-kwok Administration	Economic recovery Administration's efforts in assisting professional services providers to go beyond Hong Kong	
014315 – 015350	Chairman Ms Elizabeth QUAT Administration	Administration's plans in relaunching the economy Development of tourist attractions with cultural heritage Issues relating to the rethink exercise and operation of OP	
015351 – 020220	Chairman Administration	Issues relating to the rethink exercise and operation of OP	
020221 – 020250	Chairman	Closing remarks	