

**For discussion
on 2 March 2021**

Legislative Council Panel on Security

Implementation of Co-location Arrangement at the Redeveloped Huanggang Port

Purpose

This paper aims to brief Members on the progress of implementing co-location arrangement at the redeveloped Huanggang Port being taken forward by the Hong Kong Special Administrative Region (“HKSAR”) Government and the Shenzhen Municipal Government.

Background

2. The HKSAR Government has been striving to closely collaborate with other cities in the Guangdong-Hong Kong-Macao Greater Bay Area (“GBA”) to promote the development of the GBA. According to the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area promulgated by the Central Government in February 2019, one of the seven key initiatives of the GBA development is to expedite infrastructural connectivity among cities in the GBA by enhancing the handling capacity and clearance facilitation of control points in Guangdong, Hong Kong and Macao and promoting an efficient and convenient flow of people and goods. With the commissioning of the Liantang/Heung Yuen Wai (“LT/HYW”) Control Point for cargo clearance on 26 August 2020, Hong Kong and Shenzhen are now connected via five land boundary control points (“BCPs”) providing passenger and cargo clearance services and two passenger-based railway BCPs¹.

¹ The LT/HYW Control Point was commissioned on 26 August 2020, providing cargo clearance service only at the initial stage in view of the COVID-19 pandemic. The other four land BCPs between the two cities are the Huanggang/Lok Ma Chau Control Point, the Man Kam To Control Point, the Sha Tau Kok Control Point and the Shenzhen Bay Port. The two passenger-based railway BCPs are the Lo Wu Control Point and Futian/Lok Ma Chau Spur Line Control Point. Besides, the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port commissioned in October 2018 provides passenger and cargo links between Hong Kong, Macao and Zhuhai, and the Express Rail Link West Kowloon Station commissioned in September 2018 provides passenger-based high-speed railway connection to 58 destinations on the national high speed rail network.

3. As announced in the Chief Executive's Policy Address in November 2020, the HKSAR Government would continue to enhance the infrastructure of land BCPs between Hong Kong and Shenzhen and progressively implement the "East in East out, West in West out" planning strategy for cross-boundary goods traffic. Under the "East in East out, West in West out" strategy, cross-boundary goods vehicles currently using the Huanggang/Lok Ma Chau ("HG/LMC"), Man Kam To ("MKT") and Sha Tau Kok ("STK") Control Points will have to use the LT/HYW Control Point in the east and the Shenzhen Bay ("SZB") Port in the west, reserving the remaining land BCPs mainly for passenger traffic, save for fresh food trucks which will continue to use the MKT Control Point for food safety and hygiene inspections. To tie in with the strategy, the HKSAR Government and the Shenzhen Municipal Government have implemented 24-hour cargo clearance service at the SZB Port since 10 December 2020. Subject to the development of the COVID-19 pandemic, the two governments will fully commence the operation of the LT/HYW Control Point and implement 24-hour passenger clearance service at the SZB Port in due course as appropriate.

4. Moreover, the HKSAR Government have explored and reached consensus with the Shenzhen Municipal Government on the implementation of co-location arrangement at the new Huanggang Port situated in Shenzhen to facilitate smooth and efficient passenger and vehicular flows.

Redevelopment of the Huanggang Port

5. The HG/LMC Control Point was developed and commissioned in the late 1980s, providing clearance service for passengers and goods vehicles. In 2019, on average, about 68 000 passengers and 19 700 vehicles (9 700 goods vehicles, 1 400 cross-boundary coaches and 8 600 private cars) passed through the control point every day. As the control point was built decades ago, the facilities thereat are aged and may not be able to cope with the growing demand. Furthermore, the Huanggang Port on the Shenzhen side and the passenger clearance building of the LMC Control Point on the Hong Kong side are not directly connected. Passengers need to take shuttle buses to travel between two sides. The clearance arrangement takes more time on the whole and is unable to provide convenience for cross-boundary passengers to the maximum extent.

6. In 2019, the Shenzhen Municipal Government unveiled the plan to redevelop the Huanggang Port in-situ. According to the planning of the

Shenzhen Municipal Government, the redeveloped port will become a transportation hub with direct connection to two Mainland intercity transits (i.e. the Guangzhou-Dongguan-Shenzhen Intercity Railway and the Guangzhou-Shenzhen Intercity Railway) and two Shenzhen metro lines (i.e. Shenzhen Metro Line 7 and Express Line 20). It will also link to the Futian Port by underground pedestrian access, which is itself linked to the LMC Spur Line Control Point and Shenzhen Metro Lines 4 and 10. Moreover, the Shenzhen Municipal Government has proposed to the HKSAR Government to implement co-location arrangement at the redeveloped Huanggang Port with a view to bringing greater travel convenience to cross-boundary passengers. If the above plans are materialised, it will greatly enhance the connectivity of the new Huanggang Port within Shenzhen and that with other major GBA cities including Hong Kong.

Implementation of Co-location Arrangement at the New Huanggang Port

7. Since mid-2019, the HKSAR Government has maintained close liaison with the Shenzhen Municipal Government to explore the feasibility of and specific plan for implementing co-location arrangement at the redeveloped Huanggang Port. After careful study and discussion, the two governments have agreed and obtained the Central Government's support for the implementation of co-location arrangement at the redeveloped Huanggang Port. The two governments have also reached consensus on the principle issues of the project.

8. According to the consensus of the two governments, the building at the Huanggang Port, situated in Shenzhen, will be redeveloped in-situ. The new Huanggang Port will be a multi-storey building at which customs, immigration and quarantine ("CIQ") clearance facilities and public transport interchanges for the Mainland and Hong Kong will be set up on different floors thereat, laying the foundation for implementing co-location arrangement at the new port to facilitate passenger clearance and enhance clearance efficiency. Drawing on the experience of implementing co-location arrangement at the SZB Port, the HKSAR Government will set up a Hong Kong Port Area ("HKPA") in the new Huanggang Port building to accommodate CIQ clearance facilities of Hong Kong. The HKSAR Government will exercise full jurisdiction in the HKPA and carry out CIQ clearance inspections in accordance with the laws of Hong Kong.

9. Considering that the new Huanggang Port building will be situated in Shenzhen and construction works will be carried out before the establishment of

the HKPA, the relevant design and construction works will need to comply with the Mainland laws and procedures. For that reason, the two governments have agreed that the design and construction of the new Huanggang Port building will be fully undertaken by the contractors hired by the Shenzhen Municipal Government. Meanwhile, as mentioned in paragraph 8 above, upon completion and commissioning of the HKPA in the new Huanggang Port building, the HKSAR Government will exercise full jurisdiction in the HKPA and the laws of Hong Kong will then be extended to the HKPA. Hence, the design, construction and maintenance of all buildings, structures and related facilities in the HKPA have to comply with the relevant Hong Kong laws and standards. To this end, both sides have agreed to discuss and reach consensus on the design of the HKPA in the new Huanggang Port building, whereas the contractors hired by the Shenzhen Municipal Government will construct the HKPA in accordance with the mutually-agreed design. Relevant departments of the HKSAR Government will render advice to the Mainland authorities at all stages to ensure that the design and construction of the facilities in the HKPA will meet the operational, management and maintenance requirements of the HKSAR in future.

10. As the HKPA is an integral part of the new Huanggang Port building and the redevelopment of the Huanggang Port has to be planned and constructed in a holistic manner, the Shenzhen Municipal Government has agreed in principle to bear the design and construction costs for the entire project (including the HKPA). Such financial arrangement is similar to that adopted for the Express Rail Link (“XRL”) West Kowloon Station². The HKSAR Government will bear on its own the costs of other capital non-works items for the HKPA, such as furniture and equipment and information systems for the operation at the control point by various departments. The relevant departments will follow the established procedures to seek funding for the concerned items from the Legislative Council as appropriate.

11. Moreover, with reference to the arrangements adopted for the SZB Port and XRL West Kowloon Station, the HKSAR Government will pay the Shenzhen Municipal Government a nominal rent for the use of the HKPA at the new Huanggang Port in future.

² The construction costs for the XRL West Kowloon Station, including the Mainland Port Area, was borne entirely by the HKSAR Government, which charges a nominal fee of HK\$1,000 per year for the use of the Mainland Authorities’ Accommodation by the Mainland authorities as the premises of the Mainland Clearance Area, back office and port clearance corridor for exercising exit and entry regulation, including immigration inspection, customs regulation, inspection and quarantine measures, etc.

12. The redevelopment of the Huanggang Port and the co-location arrangement to be implemented will benefit both Hong Kong and Shenzhen. Through the redevelopment project, the existing facilities, environment and transportation support at the HG/LMC Control Point will be upgraded. The implementation of co-location arrangement will greatly improve efficiency of clearance service and facilitate the fast and smooth flow of passengers and vehicles between the two cities. It will also enhance the convenience and comfortability for travellers; and the connectivity between Hong Kong and Shenzhen as well as other cities in the GBA. In addition, after the CIQ facilities are relocated to the HKPA of the new Huanggang Port, the current LMC Control Point will be vacated and over 20 hectares of the land concerned can be released for other uses.

13. Moreover, as mentioned above, under the “East in East out, West in West out” strategy, the new Huanggang Port will mainly be used for passenger clearance. The Transport and Housing Bureau (“THB”)/Transport Department (“TD”) and the Shenzhen authorities have maintained close liaison with the goods vehicle trade to keep it fully apprised of the matter, such as the actual adjustment measures, arrangement of supporting facilities and detailed implementation timetables, etc. To ensure no disruption to the operation of cross-boundary goods vehicle trade, the THB/TD will discuss with the Shenzhen authorities to cease the cargo clearance service of Huanggang Port only after the commencement of 24-hour operation at the LT/HYW Control Point and availability of sufficient supporting facilities at both the SZB Port and LT/HYW Control Point; and to provide sufficient lead time for cross-boundary freight companies to shift their operations from the HG/LMC Control Point to the SZB Port and the LT/HYW Control Point as appropriate.

Latest Progress

14. The Shenzhen Municipal Government has kicked off the preparatory work for the redevelopment of the Huanggang Port, including completing the construction and making available of a temporary passenger clearance building in mid-2020, as well as demolishing the original passenger clearance building and commencing the foundation pit works for the new Huanggang Port building in-situ in December 2020. In parallel, the HKSAR Government has been in close liaison with the Shenzhen Municipal Government. On the premise that co-location arrangement will be implemented at the new Huanggang Port, the HKSAR Government has provided the Shenzhen side with our preliminary user

requirements and feedback on the setup of the HKPA for incorporation into the overall design and planning of the new Haunggang Port building. To ensure that requirements of the Hong Kong side will be taken into full account by the Shenzhen side when developing the detailed design and technical plans for construction, a dedicated task force was formed by the leading departments of the two governments and already held a number of meetings last year, whereas regular contacts are maintained at the working level. The two governments will continue with the close collaboration with the aim to prepare the detailed design and commence the construction of the new Huanggang Port building the soonest.

15. To press ahead with the redevelopment of the Huanggang Port, the two governments have also formed a steering group co-chaired by the Executive Vice-Mayor of the Shenzhen Municipal Government and the Secretary for Security of the HKSAR Government to oversee the relevant works and progress.

16. According to the latest projection of the Shenzhen Municipal Government, the main works of the new Huanggang Port is expected to complete by end-2023 at the earliest. Drawing from the experience of implementing co-location arrangement at the SZB Port and the XRL West Kowloon Station, the two governments will formally seek approval of the Standing Committee of the National People's Congress for the implementation of co-location arrangement at the new Huanggang Port when the construction of the new port is near completion and all specific details of the HKPA are available. The HKSAR Government will then proceed with the work on local legislation to specifically demarcate the HKPA to be managed by the HKSAR Government and to extend the laws of Hong Kong to the HKPA with a view to providing the legal basis of implementing the co-location arrangement.

Advice Sought

17. Members are invited to note the plan and latest progress relating to implementation of co-location arrangement at the redeveloped Huanggang Port, and provide advice on the matter.

Security Bureau
February 2021