立法會
Legislative Council

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**Report of the Panel on Transport
for submission to the Legislative Council**

Purpose

This report gives an account of the work of the Panel on Transport ("the Panel") during the 2025 legislative session and will be tabled at the Council meeting of 22 October 2025 in accordance with Rule 77(14) of the Rules of Procedure of the Legislative Council ("LegCo").

The Panel

2. The Panel was formed by a resolution passed by LegCo on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007 and 2 July 2008 for the purpose of monitoring and examining government policies and issues of public concern relating to transport matters. The terms of reference of the Panel are at **Appendix 1**.

3. For the 2025 session, the Panel comprised 20 members, with Ir Hon CHAN Siu-hung and Hon YIU Pak-leung elected as the Chairman and Deputy Chairman of the Panel respectively. The membership list of the Panel is at **Appendix 2**.

Major Work

Public transport fares

Fare increase application from Hong Kong Tramways Limited ("HKT")

4. HKT submitted an application for a fare increase[1] to the Government and sought the Panel's views on it. Under the proposal, the adult fare would

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[1] HKT submitted a fare increase application in April 2024, and revised the proposed new fares in its subsequent submissions in October 2024 and January 2025.

increase by 30 cents to $3.3 (+10%), the child fare by 10 cents to $1.6 (+6.7%), and the fare for the elderly (aged 65 or above) by 20 cents to $1.5 (+15.4%). The price of the monthly ticket would remain unchanged.

5. HKT explained that the average daily patronage for tram had been decreasing over the years since 2010. The average daily patronage for tram in 2024 was approximately 8% lower than that in 2019. Given the decreasing population on Hong Kong Island and the fierce competition from railway and franchised buses, HKT expected the patronage growth for tram to slow down significantly in the coming years. On the other hand, HKT's total operating costs increased continuously in the past few years, with an increase of about 65% in 2024 when compared to 2020. This was mainly due to significant increases in staff costs and depreciation charges for capital investment in implementing improvement projects. HKT pointed out that it had a relatively inelastic cost structure, with staff costs accounting for about two-thirds of the total operating costs. There was hence limited room for HKT to cut costs.

6. Members generally supported HKT's application for a fare increase, considering the proposed rate of increase to be moderate and unlikely to place the public under undue financial strain. They also urged HKT to put more efforts to attract tourists to its tram services and expand its non-farebox revenue. For example, they suggested converting the tram depot into a museum open to the public and tourists, and reintroducing trams of various eras and designs into service. Some members also proposed that HKT should launch tram fleets featuring different series and themes. In response, HKT indicated that in recent years, the company had actively developed relevant sources of revenue. To tie in with the concept of "tourism is everywhere" in Hong Kong, HKT had stepped up promotion of TramOramic Tour to tourists and enhanced the experience of Party Tram. As for the suggestion to open the tram depot to the public, HKT considered its implementation to be challenging, given the insufficient space in the depot, visitor safety concerns, and the substantial resources required to establish a museum.

7. The Chief Executive in Council subsequently gave consent to HKT to alter the fares under section 51 of the Tramway Ordinance (Cap. 107) on 8 April this year. The revised rates of fares came into effect on 12 May this year.

MTR fare adjustment for 2025 and adjustment of Airport Express fares

8. The Panel was briefed by the Administration and the MTR Corporation Limited ("MTRCL") on the outcome of MTRCL's fare adjustment for 2025, and was consulted on the proposed adjustment of the

Airport Express fares. In accordance with the MTR Fare Adjustment Mechanism ("FAM"), the MTR fares in 2025 would remain unchanged.[2] Additionally, MTRCL proposed adjusting the fares for journeys on the Airport Express, with an overall fare adjustment rate of +9.4%. The aim was to ensure sustainable revenue in order to achieve breakeven, cater for rising operating costs, renew railway assets, and maintain high-quality service standards.

9. Some members considered that the revised FAM, following the 2023 review, had no significant moderating effect on the rate of fare increases. It was suggested that the cap on the Productivity Factor value in the FAM formula should be raised, and MTRCL's property rental income from the previous year should be included in the calculation, so that FAM could better reflect MTRCL's property development profits. Some members also proposed that MTRCL should offer more fare concessions to passengers, such as weekday discounts, or additional concessions in years of higher profitability. Furthermore, members generally expressed concern that the continued accumulation of unrecouped fare increase rates would exert pressure on future fares. They reiterated that the Administration and MTRCL should cancel the accumulated unrecouped fare increase rates for which recoupment had been outstanding for years, and that future FAM reviews should set a time limit or percentage cap on unrecouped fare increases.

10. The Administration and MTRCL responded that the effective annual fare adjustment rate would be capped at the year-on-year percentage change in Median Monthly Household Income in the corresponding period under the "Affordability Cap" arrangement included in the mechanism. If the fare adjustment rate triggered the "Affordability Cap" arrangement, MTRCL would be unable to implement a fare increase at a rate beyond the cap to ensure that the effective annual fare adjustment rate addressed public affordability. The Administration and MTRCL further said that fare revenue was a stable source of recurrent revenue for MTRCL and of paramount importance in ensuring the Corporation's financial sustainability to support its expenditure on, inter alia, railway maintenance, upkeep and asset renewal.

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2 The fare adjustment rate calculated under FAM for 2025 was +1.45%. In accordance with FAM, as the adjustment rate fell within the range of ±1.5%, the +1.45% adjustment rate this year would be rolled over to be included in the fare adjustment for the following year (i.e. 2026). Additionally, the total rate of +1.91% originally scheduled to be recouped this year would be handled in 2026 together with the adjustment rate of +0.05% to be recouped in 2026 as per the "Affordability Cap" arrangement in 2024.

11. As regards the adjustment of the Airport Express fares, members noted that the Airport Express fares had not been revised for many years since their last adjustment in 2017. However, they expressed concern about the competition faced by the Airport Express from other modes of transport, such as franchised buses and taxis, and that this fare increase would further diminish the Airport Express's attractiveness. In fact, the current patronage of the Airport Express had only recovered to approximately 70% of pre-pandemic levels. Members therefore suggested that MTRCL should offer more fare concessions to passengers to mitigate the impact of the fare increase.

12. MTRCL indicated that it would continue to invest resources in upgrading the facilities and services of the Airport Express. This included over $2 billion to be invested in the coming years to construct new platforms connecting to Terminal 2 of the Hong Kong International Airport, replace entry/exit gates and the existing trains, etc., with the aim of enhancing the travel experience for passengers. Additionally, MTRCL would provide passengers with fare concessions, Airport Express Taxi Interchange Offer, and free MTR Connections to make it more convenient for passengers to use the Airport Express. Furthermore, MTRCL would strengthen cooperation with the tourism industry to introduce various travel products, package deals and joint ride discounts. The Corporation was also actively seeking to secure more airlines to provide in-town check-in services, and was liaising with various parties to strengthen intermodal transportation between the Airport Express, the High Speed Rail, and the Hong Kong-Zhuhai-Macao Bridge, with a view to providing travellers with more convenient services.

Review of licence fee for electric private cars ("e-PC"), fixed penalties for traffic contraventions and parking meter ("metered parking space") fees

13. The Panel's views were sought on the outcomes and proposals of the review of (i) adjusting the fixed penalty levels for traffic contraventions[3], (ii) rationalizing the licence fee structure and levels for e-PCs and (iii) adjusting the maximum fee levels for the use of metered parking spaces.

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[3] Including Notices of Fixed Penalty ("FPNs") issued under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237), which are targeted against parking-related offences, with a uniform penalty of $320 for all offences; and FPNs issued under the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240), which are targeted against a total of 71 traffic offences regulated under the Road Traffic Ordinance (Cap. 374) and its subsidiary legislation, such as speeding, overloading, and picking up/setting down passengers at restricted zones, with fixed penalty levels ranging from $230 to $1,000.

14. Some members were concerned that the proposed increase in the fixed penalty for illegal parking from $320 to $400 would place additional financial pressure on commercial vehicle ("CV") drivers. It was suggested that the Administration should only raise the fixed penalty for illegal parking by private cars ("PCs"), while keeping the penalty for CVs unchanged. Additionally, members generally thought that the Government must address the current shortage of parking spaces squarely. They pointed out that the ratio of parking spaces to CVs was only two for every three vehicles. Members urged the Administration to expedite the provision of additional parking spaces for CVs, and to allow CVs to park on non-busy road sections without posing road safety risks, such as permitting taxis or public light buses ("PLBs") to park at taxi stands/PLB stands at night, and allowing school buses to park within school premises during non-school hours. Besides, some members proposed increasing the number of loading/unloading or pick-up/drop-off areas for CVs to reduce the likelihood of drivers receiving fixed penalty tickets.

15. The Administration responded that since 2019, it had been actively pursuing short-, medium- and long-term measures to increase the supply of parking spaces. Over the past three years, more than 15 000 parking spaces had been added, bringing the total to 30 000, one-third of which were designated for CVs. To facilitate the operation of the trades, the Administration had also introduced various measures, including opening up designated areas outside double yellow lines or single yellow lines as loading and unloading areas, relaxing the effective time of "no stopping" zones in 2024 to facilitate the pick-up and drop-off of PLBs, and permitting PLBs to park at designated PLB stands set up by the Transport Department ("TD") during non-operating hours. Besides, TD had designated part of the area of suitable taxi stands as "taxi parking spaces", such that taxi drivers might park their taxis there during specified periods. The Administration expected that over 12 000 additional parking spaces would be provided in the next two years.

16. In response to members' suggestion that the penalty level for illegal parking by CVs should not be adjusted, the Administration explained that the policy objective of imposing a fixed penalty for illegal parking was to prevent traffic congestion and ensure road safety. Accordingly, the penalty should apply equally to both PCs and CVs. The Hong Kong Police Force ("the Police") added that police officers had all along exercised appropriate discretion in the course of their duties. In 2024, the number of prosecutions for illegal parking was 2.54 million, representing a year-on-year decrease of 25%.

17. Regarding the proposal to rationalize the licence fee structure and levels for e-PCs, members generally supported introducing tiered licence fees for e-PCs calculated based on rated power, so as to align with the advancement of electric vehicle ("EV") technologies and practices in other economies. However, some members considered the proposed licence fee increases to be excessive, worrying that they would deter the public from switching to e-PCs and be unfair to existing e-PC owners who had already purchased such vehicles.

18. The Administration pointed out that even after adjustment, licence fees for e-PCs would still offer greater discounts compared to those for fuel-propelled PCs. Additionally, the operating costs of e-PCs (such as energy and maintenance expenses) would remain attractive than those of their fuel-propelled counterparts. As such, the Administration considered that the revised licence fee structure and levels of e-PCs would not deter the public from switching to e-PCs. After taking members' views into account, the Administration subsequently revised its proposal to implement the adjustments in five phases over six years, thereby allowing the public a longer adaptation period.

19. As regards the fee levels for metered parking spaces, members noted that these fees had not been adjusted for many years. To optimize the use of limited road resources, members generally did not oppose increasing the maximum fee for the use of metered parking spaces. However, they considered that the availability of on-street metered parking spaces remained severely inadequate to meet motorists' needs. Members therefore suggested shortening the maximum parking duration per transaction at metered parking spaces to facilitate the turnover of vehicles using metered parking spaces. Some Members also expressed concern about the serious problem of unlawful occupation of metered parking spaces, and called on the Administration to step up enforcement efforts.

20. LegCo had amended the fixed penalty levels for traffic contraventions by resolution, with the new levels set to take effect from 1 January 2026. As for the new licence fee structure for e-PCs and the adjusted fees for metered parking spaces, LegCo had completed its scrutiny of the amendments to the relevant subsidiary legislation. The new licence fee structure for e-PCs would take effect from 1 November 2025, while the adjusted fees for metered parking spaces had taken effect from 28 September 2025.

Review of tunnel tolls

21. The Administration proposed increasing the all-day fixed toll for the Aberdeen Tunnel ("ABT") and Shing Mun Tunnel ("SMT") from $5 to $8 for all vehicle types. It pointed out that the tolls for both tunnels had not been adjusted for 34 years, during which inflation had exceeded 130%. The Administration considered the $8 toll would have minimal impact on traffic, and anticipated that the adjusted tolls would enable both tunnels to achieve breakeven in operations. Members generally did not object to the proposed adjustment.

22. In addition, the Administration proposed that toll collection for the Central Kowloon Bypass ("CKB) would commence in tandem with its full commissioning in mid-2026[4], with an all-day fixed toll of $10 for all vehicle types. However, members generally considered the proposed toll excessive, and expressed concern that it might prompt public transport operators to raise fares to offset costs, thereby increasing the financial burden on the public. They also pointed out that the toll would have an adverse effect on traffic in the Kai Tak Development Area (including the Kai Tak Cruise Terminal and the Kai Tak Sports Park). Members suggested that the Government should first collect traffic flow data following the commissioning of CKB (Yau Ma Tei Section Tunnel) ("CKB (YMT)") before determining the toll level. Others proposed implementing time-varying tolls, with reduced or waived tolls during off-peak hours. It was also proposed to test the impact of different toll levels on CKB traffic flow, with $10 set as the maximum toll. Furthermore, some members suggested exempting CVs from tolls to support the trades' operations.

23. The Administration responded that as CKP was designed to alleviate traffic congestion on major trunk roads in Kowloon, it was necessary for the Administration to ensure that the bypass would have sufficient spare capacity to accommodate future population and traffic growth in new development areas, while maintaining smooth traffic flow. Under the Administration's proposal, CVs and public transport vehicles would be subject to the same toll as smaller PCs, reflecting the principle of efficiency first. However, after considering feedback from the Panel and the community, the Administration subsequently proposed to lower the CKB toll to $8. According to the Administration, this toll is expected to divert approximately 20% of traffic

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[4] Part of the road sections of CKB (Yau Ma Tei Section Tunnel) would be completed and commissioned by the end of 2025. It was anticipated that the relevant work related to the installation and testing of "HKeToll" would align with the construction programme of the remaining sections of CKB (Kowloon Bay Section Tunnel), with completion expected by 2026.

from congested major roads in Kowloon, an effect comparable to the $10 scenario, while enabling more targeted relief on heavily congested arterial routes. The proposed toll is also projected to preserve around 15% of spare capacity to accommodate future traffic growth and to recover nearly 80% of the bypass's basic operating costs.

24. To implement the toll proposals, the Administration tabled the Road Tunnels (Government) (Amendment) (No. 2) Regulation 2025 at LegCo for negative vetting on 23 July 2025. The new toll levels for ABT and SMT took effect from 21 September 2025. The toll for CKB (YMT) would come into operation on a day to be appointed by the Secretary for Transport and Logistics by notice published in the Gazette.

<u>Operating environment of PLB trade</u>

25. The Panel was briefed by the Administration on the operating environment of the PLB trade and the measures implemented to enhance it. Members in general expressed concern about the persistent challenges faced by PLB operators due to railway expansion and rising operating costs. To improve the operating environment for the trade, members put forward a number of suggestions, including expediting the introduction of new green minibus ("GMB") routes, optimizing existing routes (particularly recreational and hospital routes), reducing tunnel tolls for PLBs, providing fuel subsidies to operators, lowering PLB licence fees, and considering relaxation of PLB seating capacity restrictions. Furthermore, members urged the Administration to adopt measures to facilitate the trade's operations, such as easing restrictions on PLBs using expressways. Concern was also raised about the Administration's work progress in allowing PLBs to park at designated PLB stands during non-operating hours.

26. According to the Administration, TD plans public transport services based on a range of factors, including district development and residents' travel needs. For example, TD develops new GMB route packages for new development areas and major housing development projects. In response to passenger demand, TD may increase the number of GMB vehicles, adjust service frequencies, and alter or amalgamate routes, with a view to improving the operational efficiency and financial position of GMBs. TD also conducts annual reviews of the planning for franchised bus and GMB routes to strengthen coordination between the two modes of transport. Furthermore, TD handles fare adjustment applications from GMB operators in a prudent and timely manner to help maintain the financial stability of GMB routes.

27. The Administration advised that TD had relaxed certain restrictions on red minibuses ("RMBs") in their use of expressways. Taking into account actual road conditions, TD might suitably relax or rescind passenger pick-up/drop-off restricted zones or prohibited zones for RMBs to facilitate the trade's operations. As for tunnel tolls for CVs, PLB licence fees and PLB seating capacity restrictions, the Administration would review whether there was scope for adjustment in light of actual circumstances and needs.

28. Members also expressed concern about the shortage of drivers and the ageing workforce in the PLB trade. They pointed out that the visas for the first batch of drivers imported for the PLB trade under the Government's Labour Importation Scheme for the Transport Sector - Public Light Bus/Coach Trade would soon expire. Accordingly, members suggested that the Administration should extend the contract period for these imported drivers to ensure sufficient manpower in the trade. However, some members were concerned about the impact of labour importation on local workers, and suggested that the Administration should actively train local drivers and help more new newcomers join the trade.

29. The Administration responded that as of mid-February 2025, over 650 drivers imported under the Labour Importation Scheme for the Transport Sector had obtained the local driver licence and commenced service, with their employers expressing satisfaction with their performance. Regarding the visas of the first batch of imported drivers, which would expire at the end of 2025, the Administration stated that it would announce relevant arrangements in due course. Meanwhile, the Employee Retraining Board and third-party training organizations had launched the placement-tied driving training scheme in December 2024, piloting it with the GMB trade. The first batch of trainees was expected to commence service in the second quarter of 2025 upon completion of the training course. TD would continue to joint hands with relevant stakeholders to promote local recruitment.

<u>Pedestrian crossing facilities and road maintenance</u>

Upgrading and enhancement of pedestrian crossing facilities

30. The Panel was briefed on two ongoing pedestrian crossing facility projects: (i) renewal of electronic audible traffic signals ("eATS")[5]; and (ii) renewal of Belisha beacons at zebra crossings on public roads. These

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5 The eATS serve to inform visually impaired persons of the pedestrian traffic signal status, allowing them to cross the road safely based on audio prompts. Some pedestrian crossings have eATS equipped with push buttons which allow pedestrians to activate the green pedestrian signal.

projects aim to enhance the accessibility of pedestrian crossing facilities, create a pedestrian-friendly environment, and promote walking as a sustainable mode of transportation.

31. The Administration advised that the existing eATS were installed starting from 2003, and most of these eATS had been in continuous operation for over 20 years, exceeding their normal lifespan. Additionally, the fault rate of these devices had been gradually increasing, necessitating a large-scale replacement. Members generally supported the renewal of eATS to make it more convenient for visually impaired persons and other citizens to use pedestrian crossings. Members noted that the renewal project for eATS would cover the entire territory of Hong Kong, including rural areas in the New Territories, and would replace approximately 13 000 eATS in total.

32. Some members suggested that the Administration should review the overall planning of traffic signals across Hong Kong to align with smart mobility development. The Administration responded that traffic signal poles currently featured a modular design, allowing for the installation of various devices, such as eATS and auxiliary devices that project red light at signalized crossings to alert pedestrians of traffic signals. This modular arrangement enabled traffic signal poles to be fitted with equipment with different functions as needed to address the varying road environments at road junctions.

33. As for the project to renew Belisha beacons at zebra crossings on public roads, some members considered that whether motorists would stop at zebra crossings to allow pedestrians to cross depended on their driving attitude. Members therefore suggested that the Administration should step up public education and law enforcement, and install camera systems on Belisha beacon poles to strengthen the deterrent effect.

34. The Administration indicated that the Police had all along been making efforts to combat drivers' malpractice at zebra crossings, with relevant enforcement figures showing a steady increase over the past five years. At the same time, the Administration had stepped up public education by promoting the message of pedestrian priority at zebra crossings through various channels. Some members suggested that Belisha beacons should only be replaced when damaged, in order to conserve public funds. The Administration explained that large-scale replacement of Belisha beacons would reduce overall costs and be more cost-effective than replacing them individually when damaged.

Action plan to enhance the maintenance strategies of public roads

35. The Panel was briefed on the Highways Department ("HyD")'s public roads maintenance strategies enhancement plan. According to the Administration, repairing and maintaining roads in densely developed Hong Kong faces a number of challenges, including an accelerated rate of road deterioration, considerable growth in the public road network, labour shortages and an ageing workforce, as well as difficulties in implementing temporary traffic arrangements. To address these challenges, HyD established the Strategic Road Maintenance Committee in March this year, which was tasked with implementing three key strategies proposed by HyD to enhance public road maintenance and monitoring their effectiveness. These strategies include enhancing maintenance efficiency by adopting innovative technologies and promoting digitalization in management, adopting new materials for maintenance works, and collaborating with other departments to expedite the implementation of larger-scale road maintenance works. Members supported these strategies as a means to accelerate the implementation of larger-scale road maintenance works, thereby further safeguarding public safety and enhancing the comfort of road users.

36. On the adoption of new materials for road maintenance works, members expressed support for the research and application of new materials to enhance the performance and durability of road pavement materials, and slow down the rate of deterioration of road surfaces. They noted that concrete and bituminous materials were currently being used for road paving. According to the Administration's paper, new types of highly modified bituminous paving materials possess high durability and can effectively reduce noise. Members noted with delight that, starting from 1 April 2025, HyD had fully adopted the highly modified bituminous materials for paving at suitable locations, with a view to further enhancing the overall quality of road pavements in Hong Kong. Although the overall cost of using these new bituminous materials (including that of construction and maintenance) was slightly higher than that of conventional bituminous materials, the better durability of these new materials would reduce the frequency of road maintenance and the inconvenience caused by road resurfacing works to the public, thereby lowering social costs. With the full adoption of highly modified bituminous materials under road maintenance contracts, their cost was expected to gradually decrease.

37. In addition, members expressed concern about the safety of night-time road maintenance. They suggested exploring new technologies to enhance advance warnings for motorists, so as to help prevent accidents. The Administration advised that HyD had adopted a range of safety measures to

address the risks associated with maintenance works, including the use of traffic cones, works vehicles with flashing arrow signs, and anti-collision vehicles. Nevertheless, accidents still occasionally occurred during night-time maintenance operations. For example, some motorists had collided with anti-collision vehicles despite the presence of traffic cones, due to factors such as driver fatigue or vehicle malfunction. HyD was studying further safety measures, including collaborating with TD and the Police to temporarily lower the speed limit on sections of road under maintenance, for example from 80 km/h to 50 km/h. The aim was to alert motorists to slow down in advance and ensure the safety of the maintenance works.

Implementation of Smart Mobility Initiatives

38. The Panel received an update from the Administration on the latest developments in various smart mobility initiatives. Members noted that the Government had published the "Smart Mobility Roadmap for Hong Kong" in July 2019, followed by the "Smart City Blueprint for Hong Kong 2.0" in December 2020, with the aim of optimizing traffic management, improving efficiency, and advancing research and innovation in vehicle-related technology. The Administration advised that multiple projects had been successfully launched through the integration of "Smart Transport Infrastructure", "Data Sharing and Analytics", and "Technology Application and Services", with key focus areas including autonomous vehicle ("AV") technologies, advanced vehicle technologies, automated parking systems, and electronic licensing initiatives. Taking AV technologies as an example, several AV projects were currently in progress. As of the end of June 2025, TD had issued "Movement Permits" for 21 AVs to undergo trials at 12 different locations. These projects had demonstrated that trained autonomous driving systems could adapt to Hong Kong's traffic patterns, with relevant technologies proving extendable for AV trials on public roads.

39. Additionally, under the Road Traffic (Autonomous Vehicles) Regulation (Cap. 374AA), which was newly enacted in 2024, TD had issued AV Pilot Licences for two trial projects. These included the approval of 30 AVs for trial in North Lantau and two autonomous light buses for trial in the West Kowloon Cultural District. The Administration anticipated that autonomous driving services would be implemented in local communities within the next one to two years.

40. Members welcomed the Government's promotion of smart mobility and supported the integration of technology into traffic management to enhance overall transport efficiency, promote road safety, and realize the digitalization of transport services. Some members expressed concern that,

although the Government had made significant progress in promoting autonomous driving in recent years, six years had elapsed since the publication of the "Smart Mobility Roadmap for Hong Kong" in 2019. Given the new developments and technological breakthroughs in this field, they suggested that the Administration should formulate a new roadmap or blueprint for autonomous driving, covering unmanned vehicles and advanced driver assistance systems. This would also serve to publicize Hong Kong's achievements in promoting autonomous driving, thereby enhancing its appeal to overseas technology companies for collaborative ventures in Hong Kong.

41. The Administration advised that the Government was intensifying efforts to publicize the development of autonomous driving in Hong Kong. It was pointed out that Hong Kong had an advanced legal framework, and that its autonomous driving technologies were aligned with international and Mainland standards. At present, some technology companies had already expressed interest in the Hong Kong market. The Government would sustain its efforts to attract overseas enterprises for collaborative ventures in Hong Kong.

42. Members were pleased to note that the Administration was striving to deepen various studies, and that the relevant policy bureaux and departments were deliberating together on the details for advancing the pertinent strategies and proposals. The target was to publish the Transport Strategy Blueprint within 2025. Members anticipated that the publication of the Transport Strategy Blueprint would be conducive to maintaining a reliable, safe, smart, environmentally friendly, and highly efficient transport system for Hong Kong.

Legislative proposal to regulate online hailing hire car ("ride-hailing") services

43. The Panel's views were sought on the legislative proposal to regulate ride-hailing services. Members noted that under the proposed regulatory regime, platforms, vehicles and drivers providing such services must obtain appropriate licences/permits and meet the licence/permit conditions imposed by TD. The Government would set entry thresholds for platforms that applied to operate such services. These included the requirements that applicants should be companies registered in Hong Kong, possess operational experience and can provide proof of financial standing and capital investment in Hong Kong, and meet qualifications required of the company's directors. In addition, platforms must maintain proper and efficient ride-hailing

services and conduct due diligence on their vehicles and drivers to ensure that they hold appropriate permits.

44. On ride-hailing vehicles, the Government proposed that they must be registered under an individual's name and could only be driven by their registered owners when providing ride-hailing services. The vehicles must also carry appropriate third-party risks insurance and display the identification marking as required for identification purposes. As for ride-hailing vehicle drivers, the Government proposed that applicants must satisfy a range of conditions and pass a designated assessment. These included being at least 21 years of age, holding a Hong Kong Permanent Identity Card and having no serious traffic convictions within five years before the date of the application.

45. Furthermore, to combat illegal carriage of passengers for hire or reward more effectively to better protect passengers and compliant personalized point-to-point transport services, the Government proposed to enhance penalties for disqualification from driving after conviction of the driver, and strengthen relevant arrangements for impounding vehicles and temporary suspension of related vehicle licences.

46. The Panel welcomed the Government's legislative proposal to regulate ride-hailing services and supported its three-pronged approach of regulating platforms, vehicles and drivers that provide these services. This would ensure that the services so provided comply with legislation and relevant regulatory requirements on safety standards and service quality, with a view to safeguarding the safety and interests of passengers, as well as addressing and facilitating the transport needs of the public. The Panel expressed the hope that, following the implementation of the regulatory regime, taxis and ride-hailing vehicles could co-exist and complement each other, thereby meeting the diverse travel needs of passengers, and creating a healthy and sustainable competitive environment for the personalized point-to-point transport services market. Members also generally supported the Government's proposal on strengthening the arrangements for impounding vehicles and temporary suspension of related vehicle licences, and the expeditious introduction of the relevant bill into LegCo. Concerns were also raised on various related issues, including the proposed regulatory framework for platforms, vehicles and drivers providing such services, fare and insurance arrangements for ride-hailing services, the age limit in respect of a ride-hailing vehicle at the time of each application for a vehicle permit (or application for renewal), and the number of ride-hailing vehicles allowed to operate.

47. The Administration further proposed that, at the current stage, the relevant bill should first be introduced into LegCo for establishing the regulatory framework and stipulating provisions on matters of principle that had already been agreed upon by society and LegCo. As for other technical details, such as the number of ride-hailing vehicle permits and the level of licence/permit fees, the Administration would discuss and negotiate in a focused manner with various stakeholders, with a view to incorporating these details into subsidiary legislation to be introduced into LegCo in the first half of 2026 or into the licence/permit conditions, as appropriate. Members supported the Government's approach of first submitting to LegCo the amendments to the principal legislation to prescribe matters of principle, and then addressing other technical details through subsidiary legislation or licence/permit conditions in the next stage, with a view to expediting the implementation of the regulation of ride-hailing service.

48. Having sought the views of the Panel, the Government had arranged for the publication of the Road Traffic (Amendment) (Ride-hailing Service) Bill 2025 in the Gazette on 5 September 2025 and for its First Reading at the LegCo meeting on 10 September 2025. The Bill had been scrutinized by the relevant Bills Committee. The Administration intended to resume the Second Reading debate on the Bill at the Council meeting of 15 October 2025.

<u>Other issues</u>

49. During this legislative session, the Panel received a briefing from the Administration on the transport policy initiatives featured in the 2025 Policy Address, and discussed the following:

(a) enhancement of public road facilities and beautification of street landscapes; and

(b) replacement/renewal of traffic control and surveillance systems at strategic roads.

Meetings held and visits conducted

50. During the period between January and early October 2025, the Panel held a total of eight meetings. The Panel has scheduled a meeting for 17 October 2025 to discuss: (a) "Southbound Travel for Guangdong Vehicles"; and (b) Progress of Traffic and Transport Strategy Study.

51. The Panel also conducted the following three local visits:

(a) visit to the Station Rail Voyage at Hung Hom Station to view the newly added exhibits, and attendance at the opening ceremony;

(b) visit to the Hong Kong Police Headquarters to observe a demonstration of the functions of the eTraffic Penalty Ticket platform; and

(c) visit to Central Kowloon Bypass (Yau Ma Tei Section).

Council Business Divisions
Legislative Council Secretariat
14 October 2025

Appendix 1

Legislative Council

Panel on Transport

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to transport.

2. To provide a forum for the exchange and dissemination of views on the above policy matters.

3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy area prior to their formal introduction to the Council or Finance Committee.

4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.

5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Appendix 2

Panel on Transport

Membership list for the 2025 session

Chairman	Ir Hon CHAN Siu-hung, BBS, JP
Deputy Chairman	Hon YIU Pak-leung, MH, JP
Members	Hon CHAN Hak-kan, SBS, JP Hon Mrs Regina IP LAU Suk-yee, GBM, GBS, JP Hon Michael TIEN Puk-sun, BBS, JP Hon Frankie YICK Chi-ming, GBS, JP Dr Hon CHAN Han-pan, BBS, JP Ir Dr Hon LO Wai-kwok, GBS, MH, JP Hon LUK Chung-hung, JP Hon Kenneth LAU Ip-keung, SBS, MH, JP Hon Stanley LI Sai-wing, MH, JP Hon Dominic LEE Tsz-king Hon CHAU Siu-chung Hon Andrew LAM Siu-lo, SBS, JP Hon LEUNG Man-kwong, MH Hon CHAN Pui-leung Hon Joephy CHAN Wing-yan Hon CHAN Hok-fung, MH, JP Ir Hon Gary ZHANG Xinyu Hon Erik YIM Kong, JP (Total：20 members)
Clerk	Ms Joanne MAK
Legal Adviser	Ms Dorothy YUNG