

Air and Sea Transport and Logistics Services

**(formerly under the then Economic Services
Bureau)**

Detailed Progress

I Develop and promote Hong Kong's position as a preferred international and regional transportation and logistics hub

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below —

Initiative *	Target #	Present Position †
To progressively expand Hong Kong's air services network <i>(the then Economic Services Bureau (ESB))</i>	To conduct negotiations or reviews on at least 15 air services agreements or arrangements in 2002 <i>(2001)</i>	<i>(Action in Progress : On Schedule)</i>
To further strengthen Hong Kong's air links with the Pearl River Delta <i>(ESB)</i>	<ul style="list-style-type: none"> ● To conduct further review on the air services arrangement between the Mainland and the Hong Kong Special Administrative Region in 2002 ● To start discussions with the Macau Special Administrative Region in 2002 regarding an air services arrangement between the two SARs <i>(2001)</i>	<i>(Action Completed)</i>

* the bracketed information denotes the agency with lead responsibility for the initiative

the bracketed information denotes the year in which the target was set

† the bracketed information denotes the status of the target

Initiative	Target	Present Position
<p>To formulate a plan to strengthen Hong Kong's role as the preferred international and regional transportation and logistics hub, based on the findings of three strategic studies —</p> <p>—Port Development Strategy Review completed in September 2001</p> <p>—Strategic Overview of Major Airport Developments Study completed in September 2001</p> <p>—Study to Strengthen Hong Kong's Role as the Preferred International and Regional Transportation and Logistics Hub completed in September 2001</p> <p><i>(ESB/Port and Maritime Board/Airport Authority)</i></p>	<p>To formulate the plan in 2002</p> <p><i>(2001)</i></p>	<p><i>(Action in Progress : On Schedule)</i></p>
<p>To undertake research and promotional work to strengthen Hong Kong's position as a leading port, maritime centre, transportation and logistics hub</p> <p><i>(ESB)</i></p>	<p>To undertake research and promotion projects in 2002</p> <p><i>(2001)</i></p>	<p><i>(Action in Progress : On Schedule)</i></p>

2 Develop and improve services of the Hong Kong International Airport

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below —

Initiative	Target	Present Position
To proceed in phases with the development of the “Sky City” at the Hong Kong International Airport (<i>Airport Authority (AA)</i>)	To complete the first phase of the “Sky City” in 2005-2006 (<i>2001</i>)	(<i>Action in Progress : On Schedule</i>)
To follow up on the recommendations of Strategic Overview of Major Airport Developments Study, including the provision of additional cargo handling facilities, gradual upgrade/ expansion of the Passenger Terminal Building and advance planning for the development of midfield facilities (<i>AA</i>)	To ensure that the facilities and services of the airport will continue to be able to meet demand (<i>2001</i>)	(<i>Action in Progress : On Schedule</i>)

3 Develop and improve services of the Hong Kong port

To achieve results in this area, the following initiative has been undertaken in the past year. Details are set out below —

Initiative	Target	Present Position
To conduct a study on future port development in Hong Kong <i>(Port and Maritime Board)</i>	To commission the study in 2002 <i>(2001)</i>	<i>(Action Completed)</i>

4 Promote safety and efficiency in air transport

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below —

Initiative	Target	Present Position
To implement the recommendations made by the review team of the United Kingdom Civil Aviation Authority, in order to continue to provide high-standard air traffic control services and to cater for the rapid growth in air traffic <i>(Civil Aviation Department (CAD))</i>	To complete implementation by the end of 2002 <i>(2001)</i>	<i>(Action Completed)</i>
To implement the restructuring of the flight routes over the South China Sea, in order to improve flight efficiency and to cater for growth in air traffic in the region <i>(CAD)</i>	To complete implementation by the end of 2001 <i>(2001)</i>	<i>(Action Completed)</i>
To convert the current ground-based air traffic control and communications system to satellite-based Communications, Navigation and Surveillance/Air Traffic Management (CNS/ATM) systems to enhance flight safety and efficiency <i>(CAD)</i>	To commence trial in 2000 <i>(1999)</i>	<i>(Action Completed)</i>

5 Promote safety and efficiency in maritime transport

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below —

Initiative	Target	Present Position
To implement the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, as amended in 1995 (Marine Department (MD))	To complete implementation in 2002 (2001)	(Action in Progress : On Schedule)
To implement the International Safety Management Code on cargo ships registered in the Hong Kong Shipping Register (MD)	To complete implementation in 2002 (2001)	(Action in Progress : On Schedule)
To assist developing countries to enhance their maritime safety standards (MD)	To arrange one or two training courses annually for marine administrators from developing countries in co-operation with the International Maritime Organisation (IMO) in Hong Kong (2000)	(Action Completed)

Initiative	Target	Present Position
<p>To fulfil our obligation to the IMO on training and certification of Vessel Traffic Regulators</p> <p>(MD)</p>	<p>To complete the accreditation of the training and certification facility in 2001</p> <p>(2000)</p>	<p><i>(Action Completed)</i></p>
<p>To modernise and rationalise the aids to navigation in the waters of Hong Kong</p> <p>(MD)</p>	<p>To complete the programme in 2003</p> <p>(2000)</p>	<p><i>(Action in Progress : On Schedule)</i></p>
<p>To contract out to private operators the provision of launches required for patrolling purposes</p> <p>(MD)</p>	<p>As a pilot scheme for evaluation, two commercial vessels are to be hired and used as patrol launches in 2001-2002</p> <p>(2000)</p>	<p><i>(Action Completed)</i></p>
<p>To prepare regulation for the implementation of third party insurance to local vessels in Hong Kong</p> <p>(MD)</p>	<p>To complete drafting of the regulation in 2000</p> <p>(1999)</p>	<p>Drafting work is in progress. We are exploring alternatives in enshrining the third party insurance requirement, bearing in mind the need to ensure parity in treatment of Hong Kong vessels and vessels from elsewhere which operate in Hong Kong waters.</p> <p><i>(Action in Progress : Under Review)</i></p>

Initiative	Target	Present Position
<p>To establish a marine traffic control station on Green Island</p> <p><i>(MD)</i></p>	<p>To secure funding for setting up the station by early 1999 and to build the station and install the associated equipment by late 2000</p> <p><i>(1998 and 1997)</i></p>	<p>In 2000, the scope of the project was revised from building a physical control station to a virtual station. The target set in 2001 was to complete the virtual station by the end of 2002.</p> <p><i>(Action in Progress : Under Review)</i></p>
<p>To replace the ageing equipment in the existing Vessel Traffic Services system and upgrade the system with advance equipment and technology</p> <p><i>(MD)</i></p>	<p>To complete the project by late 2001</p> <p><i>(1998)</i></p>	<p><i>(Action Completed)</i></p>

6 Promote efficiency and user friendliness of Marine Department's services

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below —

Initiative	Target	Present Position
To provide a one stop service to the shipowners for the issue of Authority to Operate to radio personnel holding foreign qualifications (Marine Department (MD))	To provide the service by the end of 2002 (2001)	(Action Completed)
To extend the use of Personal Digital Assistant system to improve the efficiency of inspection of local vessels by developing software in-house (MD)	To complete the project in the second half of 2002 (2001)	(Action Completed)
To carry out a feasibility study on Marine Department's e-business system (MD)	To complete the study in 2002 (2001)	(Action in Progress : On Schedule)
To carry out a study on rationalisation of the mooring facilities for ships visiting Hong Kong (MD)	To complete the study in 2002 (2001)	(Action Completed)

7 Develop and promote Hong Kong's international air and sea transportation links and logistics facilities

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below —

Initiative	Target	Present Position
To promote the attraction of Hong Kong as a port by reducing tax liabilities of foreign shipping lines <i>(the then Economic Services Bureau (ESB))</i>	To negotiate three Double Taxation Agreements (DTAs) on shipping profits with our business partners in 2001 <i>(2000)</i>	<i>(Action Completed)</i>
To enhance dual runway mode of operation to increase capacity <i>(Civil Aviation Department)</i>	To achieve a declared runway capacity of 40 movements per hour by end-1999 and to progressively increase it to 50 movements per hour by 2001 <i>(1999)</i>	<i>(Action Completed)</i>

8 Develop and improve the Hong Kong port

To achieve results in this area, the following initiative has been undertaken in the past years. Details are set out below —

Initiative	Target	Present Position
To enhance the position of Hong Kong as a major international shipping centre <i>(Port and Maritime Board/Marine Department)</i>	To make direct marketing calls to local and overseas shipping companies to promote the services of the Hong Kong Shipping Register <i>(1998)</i>	<i>(Action Completed)</i>