

Report by the Convenor of the Focus Group on Maritime, Logistics and Infrastructure
after the Economic Summit

Following is the report (translation) by the Convenor of the Focus Group on Maritime, Logistics and Infrastructure, Mr Tung Chee-chen, at the press conference on Economic Summit on "China's 11th Five-Year Plan and the Development of Hong Kong" today (September 11):

Hong Kong, with its advantageous geographical location, has resulted in the prosperous development of logistics and making it an important international maritime centre. Under China's 11th Five-Year Plan, there's unequivocal support for the development of logistics in Hong Kong, which will maintain Hong Kong's position as an international maritime centre. With implementation of the plan, there will be sustain economic growth of the Mainland and booming import/export trade, bringing tremendous business opportunities for the logistics sector in Hong Kong. Under the 11th Five-Year Plan, the transportation and infrastructural network will be upgraded and further developed, while regional coordination on various development fronts will also be promoted. As the economic merger of Hong Kong and the Pearl River Delta and Pan-Pearl River Delta is progressing in a fast pace, we need to make sure Hong Kong's infrastructure could cope with the development.

We agreed that the local logistics sector would benefit from the rapid growth of the Mainland economy and external trade. But there are also challenges, like in terms of competition from low-cost areas. Therefore, the sector must keep improving logistics technology and raise its competitiveness, while the Government is also playing an important role in the provision of infrastructural facilities and improving the business environment.

The Government has really taken positive action in cross-boundary transportation infrastructure. The Hong Kong-Shenzhen Western Corridor will be commissioned soon, the Sheung Shui to Lok Ma Chau Spur Line will also be commissioned next year, and there are also the Northern Link, the Hong Kong-Zhuhai-Macau Bridge, the Guangzhou-Shenzhen-Hong Kong Express Rail Link, etc. all these projects have been put on the agenda. In terms of infrastructural development, our present thinking is under challenge.

Expert members believe that Hong Kong should take a more effective and forward-looking approach and try to tie-in with the development of the infrastructure network on the Mainland. This would help to upgrade the cross-boundary transportation network, so there would be an even faster and more efficient transportation links, linking up all the different transportation hubs. This will shorten the distance between Hong Kong and the Mainland and will provide new impetus to the development of Hong Kong's pillar industries.

To maintain Hong Kong's position as a logistics and maritime centre, we need to have first-class infrastructure facilities.

Expert members also agreed to the recommendations made in the discussion paper. There is a need to work closely among the sector to improve cross-boundary haulage efficiency. And also, there is a need to promote the application of information technology in the logistics sector.

Secondly, we need to keep upgrading the facilities of the Hong Kong International Airport and to enhance the competitiveness of our port and airport facilities.

Thirdly, we need to enhance communication with the airports and ports in the peripheral areas. We need to have clear delineation of roles so that there will be synergy.

Fourthly, we must continue to talk with our major trading partners about double taxation exemption measures in terms of income derived from shipping and aviation transportation.

Fifthly, we must protect the shipping register service and train up the necessary talent.

And sixthly, we need to expand Hong Kong's aviation transportation arrangements with the Mainland so that we could get more civil air space. That would help to upgrade Hong Kong's position as a major aviation hub.

Apart from the above recommendations, members of the group have also put forward various strategic recommendations. In the next few months, members will continue to study those recommendations and prepare a feasible action plan, outlining actions to be taken by the Government, the sector, the academics and related organisations. We welcome views and suggestions from the public.

Thank you.