

Action Agenda Proposed by the Focus Group on Maritime, Logistics and Infrastructure

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
MARITIME AND LOGISTICS					
M1. To enhance the cost-effectiveness of cross-boundary freight transport					
1.1 To review the current arrangement with cross-boundary land freight transport mainly undertaken by Hong Kong drivers	M1-1 To examine the practical contribution of Green Lane and Mainland drivers in reducing the cross-boundary freight transport cost, including the expected magnitude of reduction in freight transport cost, expected impact on Hong Kong's port throughput and relocation of logistics activities. Taking into account the development trend of the overall cross-boundary freight transport sector, to assess the impact of these measures on Hong Kong's cross-boundary truck drivers, and to examine whether it is possible to lower the cross-boundary freight	Immediate term: to launch the study in 2007	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	transport cost while at the same time also to safeguard the livelihood of local truck drivers.				
1.2 To help reduce the cross-boundary truck licence fee charged by the Guangdong authorities	<p>M1-2 After consulting the industry and with their support, to raise the following issues with the Guangdong authorities :</p> <p>(a) Lowering the cross-boundary truck licence fee; and</p> <p>(b) Relaxing the threshold of 20 trucks for the Hong Kong-Guangdong cross-boundary freight transport joint-venture enterprises.</p>	Immediate term: to launch the study in 2007	Economic Development and Labour Bureau		
1.3 To strengthen the river transport network connecting the river channels along the Pearl River Delta (PRD), including the western PRD, with a view to providing “seamless connection” between	<p>M1-3 To introduce multiple entry permits for river trade vessels, such that the application procedures will be streamlined and permit fees lowered. This will increase the river trade vessels’ operational efficiency. The licence fees for local vessels</p>	Immediate term: these measures will be implemented in 2007	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
river trade vessels and ocean-going vessels	will also be lowered, which will lower their operating cost.				
	M1-4 To provide more back-up land and barge handling facilities and to find means to provide better/smooth connection between river trade and ocean going vessels, and to enhance the mid-stream cargo handling capacity by establishing new service anchorages upon the requests of the industry.	A continuing endeavour	Economic Development and Labour Bureau		
1.4 To promote the application of information technology in the logistics industry	M1-5 To work together with the industry to promote the implementation of the Digital Trade and Transport Network System (DTTN) services.	A continuing endeavour	Economic Development and Labour Bureau		
	M1-6 To jointly run a pilot project with the Hong Kong Productivity Council on an On-Board Trucker Information System (OBTIS). The objective is to enhance the operational efficiency of the trucking business through the installation of a display	Immediate term: the study in preparation for launching the OBTIS project has commenced in April 2006, and the pilot will be rolled	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	device with Global Positioning System (GPS) and wireless communication facilities on board the trucks.	out in the first half of 2007			
	M1-7 To collaborate with training institutions to organize training courses on e-logistics applications.	A continuing endeavour	Economic Development and Labour Bureau		
	M1-8 To work with the industry to examine how best to follow up the proposal of central processing of documents currently submitted by the industry to various departments.	Long term: to work with the industry to examine how best to follow up this proposal	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
M2. Planning for the provision of port and related infrastructures from a macro perspective					
2.1 To conduct the port cargo forecasts	M2-9 The port cargo forecasts, commenced at end-2005, will critically examine the projection of cargo growth at the Hong Kong/South China gateway ports (including the rapid growth in Hong Kong's transshipment cargo in recent years). This updating exercise has to take into account the competitiveness of the Hong Kong port, as well as the handling capacity of the neighbouring ports, and, on this basis, works out the optimal timing for port expansion. In order to avoid duplication of resources and unnecessary competition, effective co-ordination with the relevant Guangdong authorities would be critical.	Immediate term: to complete the study in 2007	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
2.2 To study how we can fully utilize Hong Kong's land and coastline to develop logistics-related back-up land	M2-10 To work out the way forward for the proposed Lantau Logistics Park at Siu Ho Wan, with reference to the development of the connecting infrastructure (such as the Hong Kong-Zhuhai-Macao Bridge and Container Terminal 10), freight flow from our hinterland particularly the western part of the PRD, financing arrangement and institutional set-up of the proposed Logistics Park.	Immediate term: to work out the way forward for the proposed Lantau Logistics Park in 2007	Economic Development and Labour Bureau		
	M2-11 To actively identify suitable back-up land for logistics use through enhanced internal coordination.	A continuing endeavour	Economic Development and Labour Bureau		
M3. To strengthen the development of Hong Kong's maritime industry					
3.1 Enhancing the services of Hong Kong Shipping Register	M3-12 Through the Customer Relations Group established by the Marine Department in early 2006, we would enhance the communication	A continuing endeavour	Economic Development and Labour Bureau, and Marine Department		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	<p>between the maritime industry and the Government, and solicit opinions and ideas of the industry to enhance Hong Kong's attractiveness as an international maritime centre and raise the quality of Hong Kong's shipping registration services.</p>				
<p>3.2 Training local talents for relevant fields</p>	<p>M3-13 To encourage the post-secondary educational institutes and other vocational training institutes to devote more resources to maritime courses, and to strengthen the on-the-job training opportunities for seamen. Establish a Maritime Scholarship to attract local and Mainland talents to study maritime-related courses in Hong Kong and work for the Hong Kong maritime industry.</p>	<p>Immediate term: to be implemented in the 1st half of 2007</p>	<p>Economic Development and Labour Bureau</p>		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
3.3 To make reference to overseas practice to introduce Tonnage Tax as an alternative to the profits tax currently imposed on vessels	M3-14 To consider making reference to overseas practice to introduce Tonnage Tax as an alternative to the profits tax currently imposed on vessels.	To further assess the feasibility and implications of the proposal for the policy intent to attract ship owners to register in Hong Kong and the current tax system.	Economic Development and Labour Bureau, Financial Services and the Treasury Bureau, and Inland Revenue Department		
M4. To strengthen Hong Kong's position as an international and regional aviation hub					
4.1 Hong Kong International Airport (HKIA) to continue to expand its cargo and passenger handling capacities, e.g. construction of an additional cargo terminal and examination of the need for an additional runway	M4-15 The Airport Authority to work as quickly as possible to introduce an additional cargo terminal.	Immediate term: To work as quickly as possible	Economic Development and Labour Bureau	Airport Authority	
	M4-16 The Airport Authority to conduct a study on the various factors affecting the capacity of the HKIA and	Immediate term: To launch the study in 1 st half of 2007	Economic Development and Labour Bureau	Airport Authority	

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	consult relevant departments and the aviation industry, in order to assess the need for a third runway and draw up a strategy for further expansion of the Airport's capacity as soon as possible.				
4.2 The aviation authorities of Hong Kong, the Mainland and Macao should, through discussion and coordination, seek to rationalize and optimize airspace design in the region and open up more air routes to and from the Mainland	M4-17 To work closely with the General Administration of Civil Aviation of China (CAAC) and the Macao Civil Aviation Authority (CAAM), as a matter of urgency, to map out long-term solutions, including optimization of regional airspace design; standardization of interface and protocols of air traffic control systems; and striving for the establishment of additional air routes between PRD and the northern and eastern parts of the Mainland.	A continuing endeavour (relevant work commenced in 2004)	Economic Development and Labour Bureau, and Civil Aviation Department		
4.3 To enhance the air traffic management capability of Hong Kong with a	M4-18 To replace the air traffic control system, recruit more air traffic controllers,	A continuing endeavor (relevant	Economic Development and Labour Bureau,		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
view to increasing the runway capacity of the HKIA	streamline flight procedures and apply new air traffic control technology with a view to enhancing the air traffic management capacity and the runway capacity as a matter of urgency.	measures include the early replacement of air traffic control system)	and Civil Aviation Department		
M5. To continue negotiation with major trading partners on avoidance of double taxation agreements relating to shipping and air income	M5-19 To actively negotiate with trading partners that have not yet had avoidance of double taxation agreements with Hong Kong to establish such agreements.	A continuing endeavour	Economic Development and Labour Bureau, and Financial Services and the Treasury Bureau		
M6. To fully explore the competitive edges of Hong Kong's logistics industry, and to improve supply chain operation, so as to compete on the reliability and quality of its high value-added services in addition to being competitive in the total cost	M6-20 To continue to discuss with the industry how we can sharpen our competitive edges, promote the electronic transmission of logistics information, wider use of the Digital Trade and Transportation Network (DTTN) System, the Radio Frequency Identification (RFID) technology, etc. so as to facilitate supply chain service integration.	A continuing endeavour	Economic Development and Labour Bureau		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
TRANSPORT INFRASTRUCTURES					
M7. To study the establishment of a high-level cross-bureaux/ departments co-ordination mechanism	M7-21 To examine feasible options for the establishment of a high-level cross-bureaux/ departments co-ordination mechanism* including its set-up, scope of work, modus operandi and the required research and implementation mechanisms.	Immediate term: To launch the study in the 1 st half of 2007	Housing, Planning and Lands Bureau, and Planning Department		* The proposed mechanism is for formulating a comprehensive development strategy for cross-boundary transport infrastructures and co-ordinating various cross-boundary transport infrastructure projects more effectively.
M8. To develop cross-boundary transportation network by adopting a forward-looking perspective on regional development	M8-22 To study feasible options for improving the existing development mode for cross-boundary transport infrastructure and shortening the	Immediate term: To complete the study in the 1 st half of 2007	Housing, Planning and Lands Bureau, and Planning Department		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
	development lead-time for cross-boundary transport infrastructure projects.				
M9. To optimize cross-boundary transportation networks					
9.1 Strengthen the communication and co-operation with the Mainland	M9-23 To continuously strengthen communication and co-operation with the Mainland's national authorities responsible for transport infrastructure as well as the neighbouring regions.	A continuing endeavour	Housing, Planning and Lands Bureau, and Planning Department		
9.2 Promote the development of the aviation sector through transport networks	M9-24 To commence a thematic study with a view to exploring ways to improve the regional transport links of the HKIA so as to increase its passenger sources and provide co-operation opportunities between the HKIA and its neighbouring airports.	Immediate term: To launch the study in 2007	Housing, Planning and Lands Bureau, and Planning Department		

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
9.3 Extend the coverage and upgrade the service level of through train services	M9-25 To examine the need for providing more point-to-point cross-boundary through train services between Hong Kong and major cities in the Mainland.	(Whether to provide more new through train service depends on market demand and is a commercial decision of Kowloon Canton Railways Corporation (KCRC))	Environment, Transport and Works Bureau	KCRC	
9.4 Linkage with the national express rail network via the “dedicated corridor option”	M9-26 To adopt a more forward looking approach in considering the use of the “dedicated corridor option” in linking with the national express rail network to meet strategic development needs.	Immediate term: in the 3 rd quarter of 2007	Environment, Transport and Works Bureau, and Highways Department		
9.5 Explore the opportunities and constraints in the development of freight rail in Hong Kong	M9-27 To study the opportunities and constraints in freight rail development in Hong Kong *.	(Whether more new freight services should be provided depends on market demand	Environment, Transport and Works Bureau	KCRC	* To keep abreast of Mainland’s proposal to substantially increase

Strategic Proposals	Proposed Specific Measures	Implementation Schedule	Responsible Bureaux/ Departments	Relevant Organizations	Remarks
		and is a commercial decision of KCRC)			investment to improve the capacity and enhance the competitiveness of railways (including the increase in freight handling capacity and train speed, and the setting up of 18 rail transportation centres)