

# LCQ1: Quota-free scheme for Hong Kong private cars travelling to Guangdong via the HZMB

Following is a question by the Hon Holden Chow and a reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (December 9):

Question:

The Tuen Mun-Chek Lap Kok Tunnel is scheduled to be commissioned on the 27th of this month. In her 2020 Policy Address delivered last month, the Chief Executive indicated that the Government would, upon the commissioning of the said tunnel, implement a "Quota-free scheme for Hong Kong private cars travelling to Guangdong via the Hong Kong-Zhuhai-Macao Bridge" (Scheme for Hong Kong cars travelling to Guangdong) to allow eligible Hong Kong private cars to travel to and from the Guangdong Province via the Hong Kong-Zhuhai-Macao Bridge without regular quota. In this connection, will the Government inform this Council:

- (1) of the arrangements with regard to motor insurance and driving licences under the Scheme for Hong Kong cars travelling to Guangdong; what measures are in place to ensure that insurance premiums are to be set at levels that are affordable for the general public;
- (2) what technical issues are yet to be resolved at present; and
- (3) of the commencement date of the Scheme for Hong Kong cars travelling to Guangdong; whether it has assessed the impact on the commencement date brought about by the recent worsening of the epidemic situation in Hong Kong?

Reply:

President,

In consultation with the Financial Services and the Treasury Bureau, my reply to the question raised by the Hon Holden Chow is as follows:

The Hong Kong-Zhuhai-Macao Bridge (HZMB) has been operating smoothly since its commissioning in October 2018. At present, about 80 000 cross-boundary vehicles from Guangdong, Hong Kong and Macao, including cross-boundary private cars and hire cars, Hong Kong Port shuttle buses, cross-boundary coaches, cross-boundary goods vehicles, etc. with relevant quotas and licences/permits are eligible to use the HZMB.

Since the promulgation of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area by the Central Government in early 2019, various Central ministries have rolled out a number of measures to facilitate Hong Kong and Macao residents to work, live and study in the

Mainland cities of the Greater Bay Area. During the meeting between the Chief Executive and the leaders of the Guangdong Province and Shenzhen municipality in November this year, both sides agreed to press ahead with the work in areas such as clearance facilitation, joint development of a quality living circle, etc. As a matter of fact, the governments of Guangdong, Hong Kong and Macao have been working closely to take forward various cross-boundary transport measures having regard to the capacity of the respective boundary control points and connecting roads, with a view to better utilising the HZMB and promoting exchanges amongst the three places.

The Government would take the opportunity of the commissioning of the Tuen Mun-Chek Lap Kok Tunnel to press ahead with the "Quota-free scheme for Hong Kong private cars travelling to Guangdong via the HZMB" (the Scheme). Prior to the launch of the Scheme, a Guangdong-Hong Kong cross-boundary private car regular quota (regular quota) is generally required before a Hong Kong private car can travel between Hong Kong and Guangdong. The eligibility criteria for a regular quota are laid down by the Guangdong government, such as accumulating a certain amount of tax payment or donations. Under the Scheme, a Hong Kong resident will be allowed to drive a private car owned by him/her between Hong Kong and Guangdong via the HZMB for business, visiting families or sight-seeing on a short-term basis without a quota. Furthermore, after the Scheme has been put into operation for a period of time, the governments of Guangdong and Hong Kong will draw on the implementation experience of the Scheme at the HZMB and proactively study the extension of the Scheme to a Hong Kong/Shenzhen land boundary control point, such that Hong Kong private cars can travel to both the eastern and western parts of Guangdong without a quota.

We are finalising with the Guangdong government and relevant Mainland authorities the various specific arrangements and technical details for implementing the Scheme. These include –

(1) on the duration of stay in the Mainland, subject to Guangdong's views, our initial thinking is that eligible participants of the Scheme can stay for no more than 30 consecutive days upon each entry to the Mainland and no more than 180 days within a year in aggregate. We believe that the arrangement should be able to fulfil the needs of Hong Kong residents travelling to Guangdong for business, visiting families or sight-seeing on a short-term basis;

(2) on the requirements of driving licence, we expect that applicants and drivers under the Scheme will be required to possess valid identity documents for entry to the Mainland as well as Hong Kong and Mainland driving licences;

(3) on the eligibility requirements of vehicles, we expect that private cars participating in the Scheme should be an eight-seater (including driver) or below and have obtained relevant vehicle licences/permits including a Closed Road Permit for cross-boundary vehicles;

(4) Hong Kong private cars that enter Guangdong via the HZMB, under the existing regime or under the Scheme in future, must comply with the statutory motor insurance requirements on third party risk as required by the Hong Kong

and the Mainland authorities. Under the prevailing one-stop service arrangement, Hong Kong car owners and/or drivers may take out statutory motor insurance policies of both Hong Kong and the Mainland in one go through Hong Kong insurers for the Hong Kong private cars entering Guangdong through the HZMB. Since such insurance policy is a private contract between the policy holder and the insurer, the level of insurance premium is determined by the relevant insurer based on commercial principles and factors such as the operating environment, risk assessment and claim records. The level of insurance premium of the Mainland statutory motor insurance taken out under the one-stop service arrangement currently ranges from around HKD20 for a seven-day coverage period to HKD1,100 for a one-year coverage period, depending on the duration of the coverage period. To provide greater convenience for the users, the HKSAR Government is closely liaising with the relevant Mainland authorities to strive to implement the "unilateral recognition" policy for Hong Kong private cars entering Guangdong through the HZMB. The policy extends the coverage of third-party insurance policies issued by Hong Kong insurers to cover third-party liability in the Mainland, thereby deeming such policies as equivalent to the mandatory traffic accident liability insurance for motor vehicles in the Mainland; and

(5) on the level of fees, our aim is to streamline the application procedures and lower the application fee as far as possible to make the Scheme more convenient and attractive to the public. As for the insurance policy applicable under the "unilateral recognition" policy, the level of insurance premium will be determined by the relevant insurers on their own as in the current one-stop service arrangement.

The HKSAR Government will continue to maintain close liaison with the Guangdong government and strive for early implementation and announcement of the details of the Scheme. Thank you, President.