

## LCQ9: Cross-boundary ferry services

Following is a question by the Hon Starry Lee and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (November 21):

Question:

At present, the Marine Department levies, pursuant to the law, a passenger embarkation fee at \$11 per passenger from the owners of cross-boundary ferries, and such a fee is passed on to the passengers. There are comments that with the economies within the Guangdong-Hong Kong-Macao Greater Bay Area growing and integrating in an increasingly fast pace, the governments of the three places have all indicated that they will actively remove the various obstacles for exchange and co-operation. However, among the three governments, only the Hong Kong Government collects a passenger embarkation fee, which is not conducive to the connectivity and economic integration of the three places. Moreover, there are views that as a similar passenger boarding fee has not been imposed on the various modes of cross-boundary land transport in Hong Kong at present, the embarkation fee is unfair to those passengers departing by sea. In this connection, will the Government inform this Council:

(1) of the number of passenger trips departing by cross-boundary ferries and the total amount of embarkation fees collected in each of the past three years, with a tabular breakdown by ferry route;

(2) of the measures taken by the Government in the past three years to promote sea transport connectivity among Guangdong, Hong Kong and Macao, as well as the effectiveness of such measures; and

(3) whether it will review the current policy of levying a passenger embarkation fee, including whether that fee should be abolished; if it will, of the details; if not, the reasons for that?

Reply:

President,

Cross-boundary ferry services, being one type of cross-boundary transport services, help promote the connectivity at sea between Hong Kong and the Pearl River Delta (PRD) region. With the development of the Guangdong-Hong Kong-Macao Greater Bay Area, the Government will continue to closely monitor the development of, and demand for, cross-boundary transport services (including cross-boundary ferry), and will adopt measures in a timely manner to meet the needs of the community.

My reply to the various parts of the Hon Starry Lee's question, after consulting the Financial Services and the Treasury Bureau as well as the Marine Department (MD), is as follows:

(1) and (2) At present, there are three cross-boundary ferry terminals in Hong Kong owned by the Government. Two of these terminals are managed by the Government (namely the Hong Kong-Macau Ferry Terminal and the China Ferry Terminal), providing a total of 14 routes of cross-boundary ferry services connecting Hong Kong and Macau Outer Harbour Ferry Terminal and Taipa Ferry Terminal, as well as 12 Mainland cities (including Zhuhai (Jiuzhou Port), Zhuhai Guishan, Zhongshan, Panyu Lianhuashan, Nansha, Heshan, Shunde, Gaoming, Jiangmen, Doumen, Shekou and Shenzhen Airport). The other cross-boundary ferry terminal (namely the Tuen Mun Ferry Terminal) is managed by a private operator, providing specified route between Hong Kong and Macao. The operator may provide cross-boundary ferry services between Hong Kong and other PRD cities having regard to commercial principles. At present, a cross-boundary ferry route between Hong Kong and Zhuhai (Jiuzhou Port) is operating at this terminal. The annual passenger departures and embarkation fees collected for the aforementioned cross-boundary ferry routes between 2015 and 2017 are set out at the Annex.

The patronage of cross-boundary ferry services has been stable in recent years, reflecting that there is a continuous demand from visitors for cross-boundary ferry services. In the past three years, at the request of the ferry operators, the Government approved an additional nine trips per day in total by the operators for routes between Hong Kong and Taipa Ferry Terminal in Macao, Zhuhai and Shekou, as well as the introduction of a new route between Hong Kong and Shenzhen Airport (chartered service).

On the other hand, the MD reviews the utilisation of cross-boundary ferry terminals from time to time with a view to enhancing the operation and facilities of the terminals, thereby encouraging more passengers to use cross-boundary ferry services. The relevant measures include enhancing the mechanism for allocating berthing slots for optimal use of each berth so as to increase the number of sailings that can be handled and the patronage; enhancing the berths and passenger facilities so as to raise the operational efficiency of ferry operators; and arranging additional terminal-based staff during peak periods of passenger flow and on festive days so as to respond to emergencies and maintain the order at the terminals. The MD also holds regular meetings with stakeholders for the sake of enhancing the operational efficiency of cross-boundary ferry terminals.

(3) Under regulation 34 of the Shipping and Port Control (Ferry Terminals) Regulations (Cap 313H), a passenger embarkation fee shall be paid to the Government by the owner of a ferry vessel in respect of each passenger embarking on the ferry vessel at cross-boundary ferry terminals. At present, the embarkation fee is \$11 per passenger. Ferry operators will determine the ferry fares on commercial principles.

Cross-boundary ferry terminals are one of the public utilities owned by the Government. It is the Government's established policy that charges of Government-owned public utilities should in general be set at a level to recover the full cost for the provision of services, including the cost of the capital employed. The passenger embarkation fee is charged to recover the relevant cost of providing the ferry terminal services. The Government has an established mechanism to regularly review the level of passenger embarkation

fee having regard to various relevant factors including public acceptance and affordability.