

# LCQ17: Hospitals in Northern Metropolis

Following is a question by the Hon Lau Kwok-fan and a written reply by the Secretary for Health, Professor Lo Chung-mau, in the Legislative Council today (December 11):

Question:

The Government indicated in 2021 that there would be three hospitals in the Northern Metropolis, namely the Kwu Tung North Hospital, the Hung Shui Kiu Hospital and the expanded North District Hospital (NDH). Under the Second Ten-year Hospital Development Plan, the Kwu Tung North Hospital is expected to become the core hospital in the Northern Metropolis, providing at least 1 600 beds according to preliminary estimates. However, according to the 2024 Policy Address, while the expanded NDH will be ready for service, and the Government will set aside sites in Ngau Tam Mei to build a new campus and an integrated medical teaching and research hospital for a third medical school, there is no more mention of the Kwu Tung North Hospital. In this connection, will the Government inform this Council:

- (1) of the total number of hospital beds expected to be provided in the Northern Metropolis over the next decade according to the current plan; whether it has assessed if such number is sufficient to meet the demand of the population in the Northern Metropolis by then;
- (2) given that according to the information on the NDH Expansion website, NDH's new acute block will be completed in 2028, how the authorities will ensure the completion of the relevant works as scheduled; as the Government indicated that NDH will provide 1 500 additional beds upon completion of the expansion project, of the expected timetable for putting such beds into service;
- (3) as the last-term Government has pointed out that the Kwu Tung North Hospital would be developed into a research hospital with comprehensive functions to provide treatment and consultation services, and it would also be developed for medical research and development and teaching purposes to achieve synergy with life sciences industry in the San Tin Technopole, and at least 1 600 beds would be provided in the hospital according to preliminary estimates, whether the aforesaid positioning of the Kwu Tung North Hospital has changed under the Government's latest planning; if so, of the reasons for that; if not, the details of the Kwu Tung North Hospital construction plan;
- (4) as it has been reported that some 3 000 beds would be provided in the integrated medical teaching and research hospital preliminarily planned to be built in Ngau Tam Mei under the 2024 Policy Address, of the division of work between the Kwu Tung North Hospital and the integrated medical teaching and research hospital, as well as their respective positionings; and

(5) as the last-term Government has indicated that the Government had plans to allocate land for the development of private hospitals in the Northern Metropolis, of the specific planning at present (including the location where sites are to be set aside for private hospital development, as well as the relevant implementation plan and timetable)?

Reply:

President,

In consultation with the Hospital Authority (HA), the reply to the question raised by the Hon Lau Kwok-fan is as follows:

(1) and (2) The HA plans and develops various public healthcare services on a cluster basis, taking into account a number of factors, including the increase of service demand arising from population growth and demographic changes, rising prevalence of chronic diseases, technology advancement, manpower supply as well as service arrangements of the clusters. The HA monitors the utilisation of various healthcare services and plans future hospital services according to the population projection parameters of various districts of Hong Kong and the development plans of the Government.

The Northern Metropolis (NM) is located within the current catchment areas of the New Territories East (NTE) and New Territories West (NTW) Clusters. Under the First Hospital Development Plan (HDP), there are three projects in these two clusters, including the expansion of North District Hospital (NDH), the redevelopment of Prince of Wales Hospital, phase 2 (stage 1) and the extension of Operating Theatre Block for Tuen Mun Hospital. It is anticipated that a total of 1 950 additional beds and other hospital facilities will be provided by 2031 in the New Territories after the progressive completion of the three projects, bringing the physical bed capacity in the NTE and NTW Clusters to a total of about 12 000 beds by then.

Among these projects, the main works of the expansion of NDH project already commenced in September 2024 for target completion in about six and a half years and with the aim of completing the new acute block in 2028 for gradual commissioning of services starting from 2029. This can alleviate the projected short- to medium-term service demand in the NTE Cluster under the First HDP. The HA and its consultant team will closely monitor the works progress to ensure the completion of the expansion project as scheduled. Upon completion of the expansion project, the HA will flexibly deploy internal resources to further formulate the detailed arrangements, such as the number of beds and the corresponding manpower requirements in different specialties, for commissioning the services in a phased approach.

Regarding the long-term demand in the NM as well as the entire New Territories, the Health Bureau (HHB) and the HA are reviewing the Second HDP by taking into account the future city-wide planning (including the latest developments of the NM and other new development areas), the Government's latest population statistics, anticipated population distribution and

projected healthcare service demand, and the supply and status of the sites required, etc. In view of the latest developments of the NM, the HA will consider stepping up the provision of hospital beds and facilities in relevant districts and rationalising the existing service provisions of hospital clusters, so as to propose distribution of projects to meet the projected service demand. After the completion of the review, the Government will announce the details of the Second HDP in due course.

(3) and (4) The Government announced in the 2024 Policy Address that, to dovetail with the development of the NM and local demand, a site of about nine hectares has been reserved by the Government in the central part of Ngau Tam Mei (NTM) for developing a new integrated medical teaching and research hospital which will become the flagship hospital of the NM with about 3 000 beds, providing comprehensive healthcare services for the new population in the NM.

As mentioned above, the HHB and the HA are reviewing the Second HDP, which involves the study of the details and implementation schedules of the various hospital development projects (including the construction of a new integrated medical teaching and research hospital at NTM); the prioritisation of the proposed projects under the Second HDP for optimisation of use of public resources required for construction of such hospitals; and the consideration of providing hospital beds and facilities in relevant districts as necessary in view of the developments of the NM and rationalisation of the role delineation and distribution of the existing hospitals in clusters and the proposed development projects.

In particular, considering that the relatively small size of the site reserved for healthcare facilities at Kwu Tung North (KTN) New Development Area and the constraints in surrounding areas for site expansion, the HHB has identified and reserved another site for healthcare facilities at NTM, with this site being more than double of that at KTN in terms of size and adjacent to the site reserved for the campus of the third medical school. The Government plans to replace the previously proposed new hospital at KTN with the new integrated medical teaching and research hospital planned for construction at NTM. This will better meet the local healthcare demand and be more cost effective.

Regarding the role delineation among and positioning of hospitals, the HA plans and develops various public healthcare services on a cluster basis. The HA delineates the role and positioning of each hospital within each cluster by taking into account a number of factors to ensure smooth referral of patients among various public healthcare units and transition of treatments in a bid to deliver comprehensive and appropriate healthcare services for supporting the patient journey. Given the anticipated significant changes in the future distribution of the overall population in Hong Kong, while reviewing the Second HDP, the Government will also review the need for re-organising the existing management structure and cluster delineation for the public healthcare services provided by the HA having regard to the population distribution and structure, with a view to providing optimal healthcare services to the public.

After the completion of the review, the Government will announce the details of the Second HDP in due course.

(5) In line with the NM Development Strategy, the Chief Executive in Council approved the draft San Tin Technopole Outline Zoning Plan in September 2024. A site of about two hectares therein has been reserved for development of healthcare facilities which may include private hospital use. The HHB will continue to work with the relevant bureaux/ departments to explore the development timetable following land resumption and site formation, while the actual planning of the site will be subject to market response.

---

## LCQ4: Curbing sexual assault incidents in residential care homes for persons with disabilities

Following is a question by the Hon Michael Tien and a reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (December 11):

Question:

It has been reported that a few months ago a staff member of a residential care home for persons with disabilities (RCHD) was arrested for allegedly sexually assaulting residents in the RCHD and the RCHD operator concerned did not make public the incident until two months later, arousing public concern about the criteria and policy adopted by the Government in handling similar incidents. In this connection, will the Government inform this Council:

(1) as this is not the first time that similar incidents have occurred, whether the Government has established criteria and guidelines for the timing of announcing such incidents; if not, whether it will immediately review and consult the stakeholders (e.g. the victims and their families, the residents and their families, the relevant professionals and operators), and announce the criteria and guidelines for the timing of announcing such incidents after striking a balance between considering the emotions of the victims and their families and ensuring the public's right to know; and

(2) given that after the occurrence of the aforesaid incident, the Secretary for Labour and Welfare indicated that the Social Welfare Department (SWD) had strictly followed the monitoring procedures and issued a written warning to the operator concerned, but some members of the public have criticised that the relevant monitoring procedures and penalty mechanism are not at all

effective in curbing such incidents, whether the SWD will learn from the bitter experiences and address the urgent needs of the families of RCHD residents by comprehensively reviewing the relevant monitoring mechanism and introducing effective measures to prevent the recurrence of such incidents?

Reply:

President,

My reply to the Hon Michael Tien's question is as follows:

(1) The Social Welfare Department (SWD) regulates the operation of residential care homes for persons with disabilities (RCHDs) in accordance with the Residential Care Homes (Persons with Disabilities) Ordinance (Cap. 613) (the Ordinance), Residential Care Homes (Persons with Disabilities) Regulation (Cap. 613A) (the Regulation) and Code of Practice for Residential Care Homes (Persons with Disabilities) (Code of Practice). Under the existing requirement, in the event of a special incident, the RCHD shall inform the Licensing Office of Residential Care Homes for Persons with Disabilities (LORCHD) of the SWD timely and submit a special incident report to LORCHD within three calendar days after a special incident has occurred. The Government will consider the nature and severity of the incident, the impact on service users, the follow-up actions of the operating organisation and law enforcement bodies, etc, to determine whether it is necessary to disclose the incident. When determining the appropriate timing of announcement, it is necessary to strike a balance carefully. Prior counselling and support would be provided to the victims, their families and other affected persons, and their emotions will also be taken care of. Since each special incident is unique and the factors for consideration vary, it is not suitable to set a fixed time frame for announcement.

(2) The Government attaches great importance to the service quality of residential care homes (RCHs) and strives to strengthen the monitoring of their operations and management to improve their service standards.

In the monitoring of RCHDs, dedicated teams of LORCHD of the SWD regularly conduct surprise inspections at RCHDs and take strict enforcement actions against non-compliant RCHDs. Depending on the nature and severity of the non-compliant items, the SWD will issue advisory letters, warning letters or written directions for remedial measures to the RCHDs and urge the RCHDs to implement corresponding improvement measures. If an RCHD continues to show no improvement, the SWD will consider instigating prosecution actions.

To enhance the transparency of the RCHD monitoring mechanism, warning records of non-compliant RCHDs would be uploaded onto the SWD's website and the Information Website for RCHDs, where they are kept for 12 months. In addition, records of convictions for violating the Ordinance or the Regulation would be posted on these websites and kept for 24 months.

To safeguard the well-being of residents, the Code of Practice stipulates that all staff of an RCHD (including home managers, nurses, health

workers, care workers and ancillary workers) should undergo the Sexual Conviction Record Check Scheme implemented by the Security Bureau through the Hong Kong Police Force prior to employment or renewal of employment contracts. RCHDs are also required to be equipped with CCTV surveillance systems that have recording functions to enhance security and supervision of their operations, thus protecting the safety of residents.

The Government has been implementing the Residential Care Homes Legislation (Miscellaneous Amendments) Ordinance 2023 by phases, including enhancing the accountability of RCH operators, raising the minimum staffing requirements, introducing a registration system for home managers, to ensure sufficient supervision of the operation, management and control of RCHs, thereby protecting the interests and safety of residents.

To increase the deterrent effect on law-breakers, the SWD has updated the security facility requirements in the Code of Practice in October 2024, requiring RCHDs to formulate policies and mechanisms for monitoring CCTV surveillance systems and viewing CCTV footage to enhance the monitoring of daily operations of RCHDs by the management.

Strengthening RCHD staff's knowledge of identifying, preventing, and handling abuse incidents is crucial in preventing abuse. The SWD hosted a seminar in October 2024 for management and general staff from all RCHDs on protecting residents from abuse. Relevant training will continue to be provided to RCHD staff to enhance their vigilance against similar incidents. To minimise the risk of abuse in RCHDs, the SWD has urged RCHDs to formulate effective measures, provide clear work guidelines, and arrange continuous on-the-job training and supervision for their staff.

In addition, enhancing knowledge and skills in protecting service users from abuse is one of the training themes of the SWD's Dedicated Fund in 2025. Social welfare organisations can apply for additional funding to strengthen relevant staff training.

â€‹Thank you, President.

---

## **LCQ16: Non-farebox revenue of franchised bus operators**

â€‹Following is a question by the Hon Lee Chun-keung and a written reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (December 11):

Question:

Three franchised bus operators have recently applied for fare increases. There are views pointing out that the Government should allow the operators to further improve their non-farebox revenue to alleviate the pressure of passing the bus fare increases onto the public. In this connection, will the Government inform this Council:

- (1) whether it knows if, currently, the Kowloon Motor Bus Company (1933) Limited (KMB) and Citybus Limited (CTB) have other sources of income apart from fare receipts;
- (2) whether it knows the proportion of the non-farebox revenue of KMB and CTB in their total receipts over the last decade;
- (3) given that facilities such as kiosks erected by the operators on government land are currently charged with market rents, and it has been reported that the Lands Department will also require operators who offer advertising spaces on the external walls of their bus depots to pay a land premium, whether the Government will waive such requirements so as to reduce the expenses of the operators; and
- (4) whether it will consider allowing KMB and CTB to further improve their non-farebox revenue, such as allowing them to set up small convenience shops and cafes at public transport interchanges or bus termini and even use one or two lower ground floors of their bus depots for other commercial purposes; if so, of the details; if not, the reasons for that?

Reply:

President,

The Government has been encouraging and assisting franchised bus operators (FBOs) to increase revenue and reduce expenditure through a multi-pronged approach, including optimising the bus service network and further enhancing operational efficiency through bus route rationalisation, as well as exploring different ways to increase non-farebox revenue, so as to alleviate part of the pressure for fare increase.

My reply to the various parts of the question raised by the Hon Lee Chun-keung is as follows:

- (1) On the premise of upholding the effective and safe operation of franchised bus services, currently the operators are already allowed to earn non-farebox revenue through various channels, including displaying advertisements on bus bodies, bus compartments, and bus shelters; offering free rides to the public through commercial co-operation or sponsorship; providing repair and maintenance services to non-franchised buses at bus depots; leasing out part of the parking spaces or vehicle examination spaces at individual bus depots or some of the floors of depots; installing revenue-generating facilities at suitable public transport interchanges/terminals such as vending machines, self-pickup smart lockers, etc.; and setting up customer service kiosks at suitable bus-bus interchanges or public transport interchanges/terminals.

(2) Amongst the bus franchises which submitted applications for fare increase earlier this year, the proportion of non-farebox revenue to total revenue for The Kowloon Motor Bus Company (1933) Limited and Citybus Limited (Franchise for the Urban and New Territories bus network) over the past ten years are set out in Annex. It is worth noting that the fall in patronage during the epidemic caused a significant drop in fare revenue of FBOs, which led to increase in the proportion of non-farebox revenue to total revenue during the relevant years (i.e. 2020 to 2022). With the resumption of social and economic activities, there has been recovery in patronage and fare revenue, which causes the proportion of non-farebox revenue to total revenue to drop accordingly. In fact, FBOs have been actively expanding their non-farebox revenue in recent years, and therefore there have been more sources of non-farebox revenue.

(3) FBOs have been providing voluntary half-price fare concession to elderly persons aged 65 or above under the Elderly Concessionary Fares Scheme. Having regard to the amount of fare concession provided by the operators under the said Scheme, the Government would waive payment of annual vehicle licence fees and reimburse the rentals paid in respect of use of government land and premises by the operators, so as to encourage the operators to maintain the relevant fare concession and alleviate the associated financial burden. Currently, the relevant revenue forgone of the operators could only be partly offset by the fee exemption/rental reimbursement under the said Scheme, and the remainder would be absorbed by the operators.

Because currently the amount of fare concession provided exceeds the amount of waived fees/reimbursed rentals for all franchises, any new or additional rentals paid in respect of new tenancies of government land or modifications to terms of tenancies of government land could generally be reimbursed under the Elderly Concessionary Fares Scheme.

(4) The Government would continue to assist FBOs to apply the successful initiatives of earning non-farebox revenue as mentioned in part (1) above to a wider scope or more locations, and also encourage them to broaden the sources of non-farebox revenue.

The Government will actively follow up all new applications from FBOs in relation to non-farebox initiatives, and examine their feasibility according to established mechanisms. The feasibility of individual proposals depends on a host of factors, including the impact on bus services operation, passenger flow, traffic management and safety, as well as requirements under relevant laws and regulations. During the process, the Transport Department would assist operators in liaising with other government departments, with a view to expediting the processing of applications.

---



## LCQ20: Planning for vacant kindergarten premises

Following is a question by the Hon Tony Tse and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (December 11):

Question:

It has been reported that nearly 80 kindergartens in Hong Kong have ceased operation in the past four years, and some of the premises of these kindergartens are located in public housing estates or government properties. In this connection, will the Government inform this Council:

- (1) of the statistics on kindergartens ceasing operation in the past five years, including geographical distribution, floor areas of the involved premises, and whether the premises concerned are government properties (including those of the Hong Kong Housing Authority); if the premises concerned are government properties, of their current or planned uses;
- (2) given the persistent low birth rate and population ageing in Hong Kong, whether the Government will consider converting some of the vacant kindergarten premises in its possession to elderly homes or other elderly facilities; if not, of the reasons for that; and
- (3) given that the Government had announced in the 2019-20 Budget that it would allocate \$20 billion to purchase properties for accommodating welfare facilities, but as of March 31, 2023, the Social Welfare Department had only used about \$150 million of that funding for such purposes, and there are views that the measure is obviously ineffective, whether the Government will first make good use of the aforesaid vacant kindergarten premises for welfare purposes and consider reallocating all or part of the aforesaid funding for other purposes?

Reply:

President,

Kindergartens (KGs) in Hong Kong are all along privately run with diverse modes of operation. Individual school sponsoring bodies (SSBs) or operators may, having regard to their different development targets and circumstances, consider setting up KGs at a variety of premises, such as self-owned premises, privately-leased premises or premises in public housing estates. Every year, there may be new registrations of KGs in different districts, or some KGs may decide to cease operation owing to a variety of factors (such as profitability and tenancy matters).

Having consulted the Housing Bureau and the Labour and Welfare Bureau,

the consolidated reply to the three parts of the question is as follows:

(1) The number of KGs which ceased operation in the past five school years is tabulated at Annex 1. The number of vacant KG premises located in non-domestic premises under the Hong Kong Housing Authority (HA) upon termination of the tenancy and surrender of the premises is tabulated at Annex 2.

If the tenant of a KG premises located in a public housing estate ceases to operate the KG during the tenancy period or decides not to renew the tenancy upon expiry, the HA will notify and invite the Education Bureau (EDB) to consider whether there is a need to nominate new non-profit-making KG SSBs or operators to rent the relevant units. Factors to be considered include the supply of and demand for KG places in the areas concerned, whether the floor area, location and building condition of the vacant KG premises are suitable for reallocation for KG development. Upon confirmation that the vacant KG premises are not required for EDB Kindergarten Premises Allocation Exercise through which SSBs or operators are nominated to rent the vacant units at a concessionary rate (approximately half of the market rent), the HA will offer such vacant units for lease at market rent through open tender for other organisations to operate KGs. If the units cannot be leased out through open tender for KG operation, the HA will consider converting the units for other uses (including welfare purposes) so as to make good use of resources. Any proposed change of use of the units will be subject to the outcome of feasibility studies, including whether it is in compliance with the Buildings Ordinance (Cap. 123) and relevant regulations, land use restrictions, planning restrictions, environmental factors and views of residents or stakeholders.

(2) To address the increasing demand for elderly services arising from an ageing population, the Social Welfare Department (SWD) increases the supply of subsidised residential care places through a multi-pronged approach, such as liaising with relevant departments to identify suitable sites for the construction of new contract residential care homes for the elderly (RCHEs), or converting vacant government premises/school sites into RCHEs. Nonetheless, KG premises are not suitable for the provision of RCHEs as their settings and facilities are generally speaking not designed for providing residential care services for frail elderly persons.

(3) The Government has all along been adopting a multi-pronged approach to identify suitable sites or premises for the provision of welfare services to meet their acute demand.

The SWD has been maintaining close contact with relevant departments to identify suitable sites in the development or redevelopment of public housing estates and urban renewal projects for providing welfare facilities. The Government also endeavours to increase the provision of welfare facilities as appropriate through the Land Sale Programmes and the Special Scheme on Privately Owned Sites for Welfare Uses. In addition, the Government will make the best use of available government accommodation including vacant school premises and explore whether they are suitable for conversion into welfare facilities.

In parallel, the SWD identifies suitable premises for purchase in the private market for welfare purpose. As at end-November 2024, the SWD has spent about \$240 million for the purchase of five premises for operating a Parents/Relatives Resource Centre, a Support Centre for Persons with Autism and a neighbourhood elderly centre, and for providing on-site pre-school rehabilitation services. The progress of purchasing premises depends on the availability of suitable properties in the market and various external factors, including whether the properties for sale have fire safety and barrier-free access facilities, whether the size and location meet operational requirements, whether the surrounding land uses are compatible with welfare uses, and whether the selling prices fall within the acceptable price range determined by the Government Property Agency (GPA) with reference to market value. The SWD and the GPA will continue to identify and purchase premises for the provision of welfare facilities in accordance with the ambit of the funds approved by the Finance Committee of the Legislative Council.

---

## LCQ3: Developing a green maritime fuel bunkering centre

Following is a question by the Hon Yim Kong and a reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (December 11):

Question:

The latest Policy Address has proposed to develop a green maritime fuel bunkering centre. There are views pointing out that green energy bunkering has become a high ground fiercely contested by major hub ports and a key factor in attracting the berthing of vessels on international voyages. The Shenzhen Port has already achieved scalable operation in this area, with this year's liquefied natural gas (LNG) bunkering volume expected to triple that of Singapore and its costs also lower than that of Singapore. However, the relevant development in Hong Kong is at an initial stage, and it faces problems of low capacity and high costs in the production of new energy. In this connection, will the Government inform this Council:

(1) whether it will consider first co-operating with neighbouring ports, e.g. allowing green energy bunkering vessels from the Shenzhen Port to provide new energy bunkering for international cargo vessels at designated waters of Hong Kong and streamlining the relevant maritime approval process for the provision of "cross-boundary vessel" services;

(2) whether it will, on the basis of the existing offshore LNG terminal, make long-term plans for dedicated berthing places and ancillary backup storage

facilities for methanol and hydrogen energy bunkering in Kwai Tsing or suitable locations, and provide, with reference drawn from the practices of the Shenzhen Municipal Government, subsidies on the investment and operation of vessels to bunkering service operators, so as to attract them to expand their businesses in Hong Kong; and

(3) whether it will consider making plans for the development of green energy production bases in the Northern Metropolis and embarking on recyclable green energy production by integrating refuse handling facilities, so as to dovetail with the development of the green maritime fuel bunkering centre?

Reply:

President:

Hong Kong, as an international maritime centre with advantages such as an excellent geographical location and good port security record, has long been the top bunkering port in South China and ranked seventh in the world in terms of bunkering volume internationally in 2023.

In view of the International Maritime Organization (IMO)'s target to reach net-zero carbon emissions from international shipping by or around 2050, the industry has started to switch to using low or even zero-carbon green maritime fuels. Therefore, Hong Kong should expedite its development into a high-quality green maritime fuel bunkering centre, so as to give full play to our existing advantages, increase port competitiveness and consolidate Hong Kong's status as an international maritime centre.

For this, the Government promulgated the Action Plan on Green Maritime Fuel Bunkering last month, setting out five strategies and 10 actions to promote the development of green maritime fuel bunkering in Hong Kong and get prepared to cater for future market development.

Regarding the Hon Yim Kong's questions, the reply prepared in consultation with the Environment and Ecology Bureau is as follows:

(1) Hong Kong's maritime fuel bunkering has always been operated freely, with no entry barrier or regulation. To start such business within Hong Kong waters, service operators only need to conduct quantitative risk assessment and marine traffic impact assessment in respect of their bunkering operations and their proposed designated waters or berths for bunkering, and obtain approval from the Marine Department for their mode of operation, as well as ensure that the bunkering vessels are locally licensed vessels compliant with the prevailing statutory requirements on ship safety, dangerous goods control, etc. We are committed to continuously keeping the market open, maintaining market flexibility and promoting fair competition.

I am pleased to learn that some enterprises have expressed interest in starting green maritime fuel bunkering businesses in Hong Kong. To expedite development, the Marine Department will introduce facilitation measures to approve temporary local licences to suitable service operators for their

bunkering vessels, so that they can provide bunkering services using non-local licenced vessels (including those from other cities in the Greater Bay Area and beyond).

The Marine Department is also streamlining the approval process for green maritime fuel bunkering to provide efficient and facilitating services with clear requirements for future bunkering businesses.

(2) The focus of the promulgation of the Action Plan is the adoption of a development direction of multi-fuel strategy and the fostering of establishment and development of an ecosystem for the bunkering industry, including providing support for the industry to develop facilities for the storage of various types of fuels. In terms of biofuels, we will explore relaxing the administrative regulations on the storage and transportation of biodiesel at higher concentrations. On LNG, the Government will explore using the offshore LNG terminal built by the two power companies to provide LNG for bunkering purpose, on the condition that it would not affect electricity generation and prices. On green methanol, the Government has identified a port back-up land parcel in Tsing Yi South, and will commence preparatory work for applying for the relevant planning permission for using the site for storage of dangerous goods. The Government also welcomes companies to retrofit some of the current oil storage tanks for storage of green maritime fuels and will provide suitable assistance in relation to the administrative procedures.

The development of hydrogen is at an early stage, with few hydrogen-powered vessels in operation or on order. The current demand for hydrogen from the industry is temporarily limited. Nevertheless, we are monitoring the market situation and will conduct a feasibility study on the development of bunkering of hydrogen and green ammonia in Hong Kong starting next year to get a head start.

We will introduce four measures to support industry development, including (i) setting up a dedicated team at the Marine Department to provide one-stop services for green shipping-related companies interested in setting up businesses in Hong Kong; (ii) setting up a collaborative platform for stakeholders in the relevant businesses to catalyse the development of the industrial chain and ecosystem; (iii) developing green-friendly port facilities arrangements, including giving priority for green maritime fuel-powered vessels to use anchorages for bunkering if necessary; and (iv) launching a Green Maritime Fuel Bunkering Incentive Scheme next year to grant subsidies to pioneer companies after they have completed preparatory work such as quantitative risk assessment and marine traffic impact assessment and provided bunkering services to vessels within a specified period of time.

(3) Mainland is a major production base for multiple green maritime fuels, including green methanol, and its operations are also relatively competitive. With the advantage of enjoying the support of the Motherland, Hong Kong can better meet its needs through importing green maritime fuels from Mainland to establish a stable supply chain.

Currently, some enterprises in Hong Kong are already producing

biodiesel. The Government welcomes suggestions from the industry for producing more types of green maritime fuels in Hong Kong. We will provide necessary assistance in relation to the administrative procedures. At present, Hong Kong is also taking forward the construction of waste-to-energy (WtE) facilities, with a view to moving away from the reliance on landfills for direct disposal of domestic waste by 2035. The Integrated Waste Management Facilities Phase 1 (I<sup>W</sup>PARK1) currently under construction next to Shek Kwu Chau and the planned I<sup>W</sup>PARK2 in Tuen Mun both adopt incineration technology to convert waste into thermal energy for power generation. Apart from facility operation, surplus electricity can also be exported to the power grid. The Government is identifying a suitable site in the Northern Metropolis for building the third advanced WtE facility. The specific planning and development timetable of the facility will depend on the projected amount of waste that will be generated in relation to long-term population and economic growth dynamics, as well as the actual volume of waste reduced and recycled.

â€‹Thank you, President.