

Transport

Hong Kong's public transport system, widely regarded as one of the best in the world, provides comprehensive, comfortable and safe travel options at affordable prices.

Administrative Framework

The government's Transport and Housing Bureau, headed by the Secretary for Transport and Housing, formulates policies on Hong Kong's internal and external transport, including land transport, maritime transport and logistics, and air services. The bureau is supported by the Civil Aviation Department, the Highways Department, the Marine Department and the Transport Department.

Transport Strategy and Policy Objectives

The government aims to provide a safe, efficient, reliable and environment-friendly transport system that meets the community's economic, social and recreational needs, and that is capable of supporting sustainable development in Hong Kong. It does this by:

- expanding and improving the transport infrastructure in a timely manner;
- improving the co-ordination and (together with the operators) the quality of public transport services; and
- managing road use to reduce congestion and to promote safety.

The government also ensures that these objectives are environmentally sustainable by searching for, and supporting, environmental improvement measures in transport-related areas. The government bases its plans for public infrastructure projects on sustainable development principles. Together with the operators, it also takes a range of measures to reduce the adverse impact on the environment of road-based transport, including the rationalisation of bus routes and the deployment of more environment-friendly buses.

The environmental impact of new transport projects, during both their construction and operation phases, is monitored closely. Environmental mitigation measures are implemented where necessary to reduce this impact.

The government announced the Railway Development Strategy 2014 in September 2014, providing a framework for planning the future expansion of Hong Kong's railway network up to 2031. At the same time, the government announced that it would commence a Public Transport Strategy Study to review the role of the other public transport services and how they complement each other, with the aim of ensuring a balanced, efficient and sustainable public transport network.

Rail Transport

MTR

Railways are safe, efficient, reliable, comfortable and environment-friendly mass carriers. They are the backbone of Hong Kong's public transportation system, and are essential to its continued economic, social and land development. They account for about 41 per cent of daily public transport passenger travel and about 56 per cent of land-based cross-boundary passenger trips to the Mainland.

Hong Kong's railways are run by the MTR Corporation Limited (MTRCL), a public listed company of which the government is the majority shareholder.

The MTR system comprises:

- the Kwun Tong Line (Tiu Keng Leng — Yau Ma Tei);
- the Tsuen Wan Line (Tsuen Wan — Central);
- the Island Line (Chai Wan — Kennedy Town);
- the Tung Chung Line (Hong Kong — Tung Chung);
- the Tseung Kwan O Line (Po Lam/LOHAS Park — North Point);
- the East Rail Line (Hung Hom — Lo Wu/Lok Ma Chau);
- the West Rail Line (Tuen Mun — Hung Hom);
- the Ma On Shan Line (Wu Kai Sha — Tai Wai); and
- the Disneyland Resort Line (Sunny Bay — Disneyland Resort).

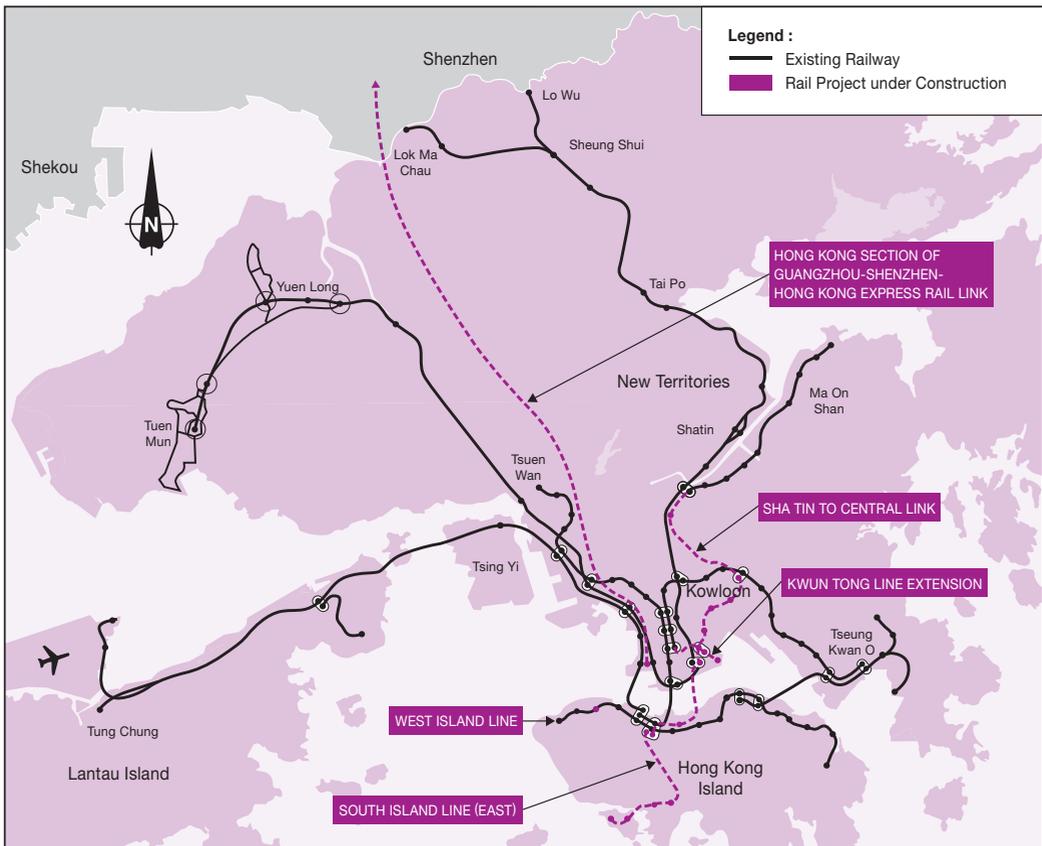
There are 85 stations in the 177.4-kilometre network. The MTRCL also operates the 35.2-kilometre Airport Express connecting the urban areas to Hong Kong International Airport and AsiaWorld-Expo, and a 36.2-kilometre Light Rail network which has 68 stops in the northwest New Territories. Light Rail feeder bus services provide rail passengers with a more

comprehensive service network. The entire system carries an average of around five million passengers each day.

In addition, the MTRCL provides intercity through-train services from Hong Kong to Beijing, Shanghai and cities in Guangdong. It carried a daily average of 12,300 travellers in 2014.

There are two rail-based crossing points at the boundary between Hong Kong and the Mainland at Lo Wu and the Lok Ma Chau Spur Line control points, which are connected by the East Rail Line. The Lo Wu Control Point operates daily between 6.30 am and midnight, handling a daily average of 239,000 passengers in 2014, and more than 343,000 on a holiday. The Lok Ma Chau Spur Line Control Point, which connects to Futian Port in Shenzhen, operates between 6.30 am and 10.30 pm daily for travellers by rail and specified road-based public transport. In 2014, the Lok Ma Chau Spur Line Control Point handled an average of about 150,000 passengers daily, and more than 201,000 travellers on a holiday.

The map below shows the existing railway network and five railway projects under construction.



Projects under Construction

The West Island Line extends the existing Island Line from Sheung Wan to Kennedy Town, with two intermediate stations at Sai Ying Pun and the University of Hong Kong (HKU). Construction started in 2009 and the line was commissioned in December 2014 with HKU and Kennedy Town Stations opened, and Sai Ying Pun Station targeted to open in the first quarter of 2015. The train journey takes about seven minutes between Sheung Wan and Kennedy Town, compared with 15- to 25-minutes by road during rush hours.

The Kwun Tong Line Extension will extend the existing Kwun Tong Line from Yau Ma Tei to Whampoa, with two new stations at Ho Man Tin and Whampoa, including an interchange at Ho Man Tin for the future Sha Tin to Central Link. Construction started in 2011. Upon commissioning, the journey time between Mong Kok and Whampoa will be about five minutes, compared with the current 25-minute vehicular journey time during rush hours.

Construction of the South Island Line (East) (a seven-kilometre railway line running between Admiralty and South Horizons with three intermediate stations at Ocean Park, Wong Chuk Hang and Lei Tung Estate) commenced in 2011. Upon commissioning, the journey time between Admiralty and South Horizons will be about 10 minutes, compared with the current 25- to 45-minute vehicular journey time during rush hours.

Construction of the Hong Kong section of the Guangzhou–Shenzhen–Hong Kong Express Rail Link, a 26-kilometre underground railway with its terminus at West Kowloon, started in 2010. Trains will be able to run through the tunnel at a maximum speed of 200 kilometres per hour, reducing the journey time between Guangzhou and Hong Kong by train from 100 minutes to 48 minutes. The journey time to other major cities in the Mainland will also be greatly shortened.

The 17-kilometre long Sha Tin to Central Link (SCL) is a strategic project providing territory-wide connections. It will have 10 stations (Tai Wai, Hin Keng, Diamond Hill, Kai Tak, To Kwa Wan, Ma Tau Wai, Ho Man Tin, Hung Hom, Exhibition and Admiralty) and will link up a number of existing railways forming two strategic railway corridors. The ‘East West Corridor’ will connect Tai Wai Station on the Ma On Shan Rail Line with the West Rail Line at Hung Hom via Diamond Hill and southeast Kowloon. The ‘North South Corridor’ will extend the East Rail Line from Hung Hom Station across the harbour to Admiralty Station on Hong Kong Island. Construction commenced in 2012. Upon commissioning, the SCL will handle about 1.1 million passenger-trips per day, and save about 75 million hours in average travelling time per year. It will also provide railway service for districts such as Hin Keng, Kai Tak, To Kwa Wan and Ma Tau Wai which are currently not served by the railway network, and increase the capacity of the railway section from Sha Tin to Hung Hom and across the harbour, helping relieve the existing burden on the rail lines in urban Kowloon and on Hong Kong Island.

Tramway

Electric trams have been running on Hong Kong Island since 1904. Hong Kong Tramways Limited runs seven routes on 13 kilometres of double tracks along the northern shore of Hong

Kong Island between Kennedy Town and Shau Kei Wan, and about three kilometres of single track around Happy Valley.

The company's 164 trams, including two open-balcony trams for tourists and private hire, and one special maintenance tram, make up the world's largest fleet of double-deck trams in operation. The tramway recorded a daily average of 181,500 passenger trips in 2014.

Peak Tram

Hong Kong's other tramway is a cable-hauled funicular railway operated by the Peak Tramways Company Limited from Central (Garden Road) to the Peak. The 1.4-kilometre line began operation in 1888 and was modernised in 1989. The Peak Tram recorded an average of 17,100 passenger trips a day in 2014, made up mostly of tourists and local sightseers.

Road Transport

Road Network

Hong Kong has 2,099 kilometres of roads and 1,330 road structures, 16 road tunnels (including the three immersed-tube cross-harbour tunnels) and five major cable supported bridges.

Tunnels

The government owns 11 road tunnels, all managed and operated by private companies under management contracts: the Cross-Harbour, Lion Rock, Aberdeen, Kai Tak, Shing Mun, Tseung Kwan O, Cheung Tsing, Tai Wai, Sha Tin Heights, Eagle's Nest and Nam Wan tunnels. The last four are located in the Tsing Sha Control Area, while Cheung Tsing Tunnel is located in the Tsing Ma Control Area. Use of the Cheung Tsing, Kai Tak and Nam Wan tunnels is free of charge. Tolls for the rest are provided for in their governing legislation.

Four other tunnels are operated by private companies under 'Build, Operate and Transfer' arrangements: the Eastern Harbour Crossing, Tai Lam Tunnel, Tate's Cairn Tunnel and Western Harbour Crossing.

There is also a private tunnel, the Discovery Bay Tunnel Link, which was built and is operated and maintained by Discovery Bay Road Tunnel Company Limited. It is open only to vehicles taking goods or providing services to Discovery Bay.

Bridges

There are five major cable supported bridges in Hong Kong: Tsing Ma, Kap Shui Mun, Ting Kau, Stonecutters and a section of Shenzhen Bay Bridge. All except Tsing Ma and Kap Shui Mun are toll-free. Tsing Ma Bridge is one of the world's longest span suspension bridges. Tsing Ma Bridge and Kap Shui Mun Bridge carry both road and rail traffic.

Tsing Ma Control Area

The Tsing Ma Control Area, managed by a private contractor, is a 21-kilometre expressway network comprising Tsing Kwai Highway, Cheung Tsing Tunnel, Cheung Tsing Highway, the North-West Tsing Yi Interchange, Tsing Yi North Coastal Road, Lantau Link, Ting Kau Bridge, part

of the North Lantau Highway and Ma Wan Road. The Lantau Link imposes a 'one-way' toll ranging from \$20 to \$80 for different types of vehicles. As the Lantau Link is the only road access to Lantau Island and motorists travelling to and from the airport must go through the Lantau Toll Plaza, a one-way toll collection arrangement is adopted at the Lantau Link for the convenience of motorists and to streamline airport-bound traffic. An average of 77,800 vehicles per day used the Lantau Link in 2014.

Tsing Sha Control Area

The Tsing Sha Control Area, managed by a private contractor, is a 13-kilometre expressway network comprising Stonecutters Bridge, Nam Wan Tunnel, a series of tolled tunnels (the Eagle's Nest Tunnel, Sha Tin Heights Tunnel and Tai Wai Tunnel) and associated slip roads. All classes of vehicles using the tolled tunnels pay a \$8 toll. In 2014, an average of 46,500 vehicles per day used this expressway.

Road Boundary Crossings

There are four road-based boundary crossings between Hong Kong and the Mainland at Lok Ma Chau, Man Kam To, Sha Tau Kok and Shenzhen Bay Port, which are open daily for goods and passenger vehicles. The Lok Ma Chau Control Point, which connects to Huanggang Port in Shenzhen, operates round-the-clock. The Sha Tau Kok and Man Kam To control points are open from 7 am to 10 pm, while the Shenzhen Bay Port is open from 6.30 am to midnight.

The daily average numbers of vehicle trips recorded at the control points of Lok Ma Chau, Man Kam To, Sha Tau Kok and Shenzhen Bay Port in 2014 were 24,800, 4,800, 2,200 and 10,000 respectively, and the daily average numbers of travellers using these control points were 78,200, 10,100, 8,800 and 102,000 respectively. The total cross-boundary vehicular traffic decreased by about 2 per cent in 2014 as compared with the previous year, averaging 41,700 vehicles a day, while the total cross-boundary passenger traffic by rail, road and ferry increased by about 5 per cent, reaching 678,000 passengers a day. Most travellers using these control points take cross-boundary coaches or local public transport services where available. In 2014, about 130 companies operated cross-boundary coach services, carrying an average of about 66,800 passengers a day. There is also a shuttle bus service plying between the public transport interchange at San Tin and Huanggang Port in Shenzhen via the Lok Ma Chau Control Point, carrying a daily average of 26,900 passengers. Travellers using the Shenzhen Bay Port may use the local public transport services there, and these carry an average of 76,400 passengers a day.

Projects under Construction

The Central-Wan Chai Bypass and Island Eastern Corridor Link (CWB) forming part of the east-west strategic route along the north shore of Hong Kong Island are being constructed to alleviate traffic congestion at Connaught Road Central/Harcourt Road/Gloucester Road and cater for the anticipated growth in road traffic. The CWB is a 4.5-kilometre dual three-lane trunk road with a 3.7-kilometre tunnel. When completed, it will take about five minutes to travel from Central to the Island Eastern Corridor at North Point.

The reconstruction and improvement works of Tuen Mun Road were substantially completed in December 2014 to bring the expressway's dual three-lane carriageway up to current standards

as far as practicable and to provide hard shoulders wherever possible. The widening works of the Tuen Mun Road Town Centre section were substantially completed in February 2014.

The widening works of Tolo Highway between the Island House Interchange and Tai Hang to upgrade the existing dual three-lane carriageway to a dual four-lane carriageway were substantially completed in March 2014.

The widening works of Fanling Highway between Tai Hang and Wo Hop Shek Interchange to upgrade the existing dual three-lane carriageway to a dual four-lane carriageway commenced in July 2013, with completion of the major works expected in 2019.

Works in respect of the Hong Kong-Zhuhai-Macao Bridge (HZMB), including the Main Bridge within Mainland waters and local works in the Hong Kong Special Administrative Region (HKSAR), continued.

Reclamation works for the HZMB Hong Kong Boundary Crossing Facilities (HKBCF) and the Tuen Mun–Chek Lap Kok Link (TM–CLKL) southern landfall, located in the northeast waters of the Hong Kong International Airport, commenced in 2011. Construction works for superstructures of HKBCF commenced in 2014.

The Hong Kong Link Road, a 12-kilometre dual three-lane highway comprising sections of sea viaduct, tunnel and at-grade road, will connect the HZMB Main Bridge to the HKBCF. The detailed design and construction works commenced in 2012.

Construction works for the TM–CLKL, a dual two-lane road approximately nine kilometres long connecting Tuen Mun with the HKBCF and North Lantau, commenced in June 2013.

Planned Projects

A number of road construction and improvement projects are being planned to enhance Hong Kong's existing road network:

- **Tuen Mun Western Bypass (TMWB):** In 2014, the government has been examining if there would be any room for changes to the current proposed alignment of the TMWB which would strike a balance in terms of technical feasibility, environmental concerns, traffic performance and economic benefits. The government is also reviewing the implementation schedule.
- **Central–Kowloon Route:** Detailed design for the proposed 4.7-kilometre dual three-lane route, with 3.9 kilometres of tunnel connecting West Kowloon to the proposed Kai Tak Development and the road network in Kowloon Bay, is ongoing.
- **Trunk Road T2:** The proposed Trunk Road T2 within the Kai Tak Development is a dual two-lane carriageway approximately three kilometres long, including 2.7 kilometres of tunnel through Kwun Tong Typhoon Shelter and adjoining areas. Forming the middle section of the strategic Route 6, Trunk Road T2 will connect the proposed Central–

Kowloon Route to the proposed Tseung Kwan O–Lam Tin Tunnel. Detailed design is ongoing.

- **Tseung Kwan O–Lam Tin Tunnel:** Detailed design has commenced for the proposed Tseung Kwan O–Lam Tin Tunnel, a dual two-lane carriageway of 4.2 kilometres with a 2.6-kilometre tunnel. It will connect Tseung Kwan O to Trunk Road T2 in the Kai Tak Development.
- **Cross Bay Link:** Detailed design has commenced for the Cross Bay Link, which is a dual two-lane carriageway of 1.8 kilometres with a 1.1-kilometre viaduct, connecting Tseung Kwan O–Lam Tin Tunnel to Wan Po Road near Area 86, Tseung Kwan O.
- **Tai Po Road (Sha Tin Section):** An investigation study on widening the Tai Po Road between Sha Tin Rural Committee Road and Fo Tan Road from dual two-lane to dual three-lane commenced in March 2013 and is under way.
- **Hiram’s Highway:** It is planned to carry out the proposed improvement works in two stages: Stage 1 covers the section between Hiram’s Villas and Marina Cove, and Stage 2 covers the area between Marina Cove and Sai Kung Town Centre. While the road scheme under Stage 1 has been finalised, a study to identify an acceptable road alignment plan for Stage 2 is under way.

The proposed Liantang/Heung Yuen Wai Boundary Control Point (BCP) will connect with the Shenzhen Eastern Corridor and provide an efficient access to eastern Guangdong, Fujian and Jiangxi Provinces via the Shenzhen-Huizhou and Shenzhen-Shantou Expressways. Upon commissioning of the new BCP, it will significantly shorten the travelling time between Hong Kong and Shenzhen and the nearby provinces and greatly facilitate future regional co-operation and development. It will also help redistribute the cross-boundary traffic between the existing Man Kam To and Sha Tau Kok boundary crossings in the eastern part of the New Territories.

Buses

Franchised Buses

Franchised buses are the largest road-based carriers and account for 31 per cent of the total daily public transport volume. Bus services in Kowloon and the New Territories are largely provided by The Kowloon Motor Bus Company (1933) Limited (KMB). At year-end, KMB was operating 309 bus routes in Kowloon and the New Territories and 61 cross-harbour routes (51 of which were run jointly with another operator). KMB had a licensed fleet of 3,852 buses, of which 2,988 were wheelchair-accessible low-floor vehicles. KMB recorded 955 million passenger trips in 2014 (a daily average of 2.62 million passenger trips) covering 284.73 million kilometres of roads.

Bus services on Hong Kong Island are mainly provided by New World First Bus Services Limited (NWFB) and Citybus Limited (CTB). At year-end, NWFB was operating 47 bus routes on Hong Kong Island, eight in Kowloon and Tseung Kwan O and 34 cross-harbour routes, 29 of which

were run jointly with KMB. NWFB had a licensed fleet of 711 buses, of which 667 were wheelchair-accessible low-floor vehicles. NWFB recorded 177 million passenger trips in 2014 (a daily average of 484,800 passenger trips) covering 44.49 million kilometres of roads.

CTB operates two bus networks under two franchises. One covers 59 bus routes on Hong Kong Island, one bus route in the New Territories and 29 cross-harbour routes, 22 of which are operated jointly with KMB. The other franchise covers a network of 19 routes plying between the urban areas and North Lantau and the airport. At year-end, CTB had a licensed fleet of 957 buses, of which 729 were wheelchair-accessible low-floor vehicles. CTB recorded 236 million passenger trips in 2014 (a daily average of 647,500 passenger trips) covering 79.62 million kilometres of roads.

The Long Win Bus Company Limited provides services between the New Territories and North Lantau and the airport with a licensed fleet of 179 buses, all wheelchair-accessible low-floor vehicles. The company recorded 34.83 million passenger trips (a daily average of 95,400 passenger trips) over its 19 routes, covering 26.13 million kilometres of roads in 2014.

The New Lantao Bus Company (1973) Limited provides bus services on Lantau Island with a licensed fleet of 111 vehicles, of which 45 were wheelchair-accessible low-floor vehicles. The company recorded 25.23 million passenger trips in 2014 (a daily average of 69,100 passenger trips) covering 8.5 million kilometres of roads over its 23 routes.

In 2014, the government continued rationalising bus services vigorously using the Area Approach (ie bus services are reviewed on an area, rather than route by route, basis) to enhance network efficiency, improve service quality, alleviate traffic congestion, and improve roadside air quality. Passengers could enjoy a more extensive interchange network and fare concessions when interchanging. Better passenger facilities, such as route information panels, free wifi service and electronic panels providing estimated bus arrival time, have been provided at selected interchanges. In 2014, the government applied the Area Approach to rationalise bus routes in Sha Tin, Tai Po, Tsing Yi and Yuen Long, and a bus-bus interchange was set up at Tsing Sha Highway Toll Plaza to facilitate passengers' interchange between New Territories East and the urban area.

Non-franchised Buses

Non-franchised bus services play a supplementary role in the public transport system. They relieve heavy demand on regular public transport services primarily during peak hours, fill the gaps which cannot be met by regular public transport services, and provide tailor-made services to specific groups of passengers. They mainly serve tourists, estate residents, employees and students. At year-end, there were 7,033 registered non-franchised public buses.

Public Light Buses

Hong Kong's public light buses (PLBs) are licensed to carry a maximum of 16 passengers per vehicle. At year-end, there were 4,349 PLBs.

There are two types of PLBs — green and red. Green PLBs provide scheduled services with fixed routes, fares, vehicle allocation and timetables as stipulated by the Transport Department. At year-end, there were 3,142 green PLBs operating 346 routes, which recorded a daily average of 1,507,800 passenger trips. Red PLBs are not required to operate on fixed routes or timetables and may set their own fares but are subject to certain restrictions on their operating areas. There were 1,207 red PLBs in operation at year-end, recording a daily average of 349,000 passenger trips.

To further enhance PLBs' safety and quality of service, with effect from 1 December 2014 newly registered PLBs are required by law to have approved electronic data recording devices installed. From 1 June 2015, applicants for PLB driving licences must also complete a pre-service course.

Taxis

At year-end, there were 15,250 red urban taxis, 2,838 green New Territories taxis and 50 blue Lantau taxis in Hong Kong, carrying about one million passengers per day. There were about 750 taxi stands and designated taxi pick-up/drop-off points.

The Transport Department and the Quality Taxi Services Steering Committee implement schemes to improve the quality of taxi service and an annual Quality Taxi Drivers Commendation Scheme is held to give due recognition to good taxi drivers.

Private cars

At year-end, there were 495,038 licensed private cars, of which 46,636 were new vehicles registered during 2014.

Road Transport Management

Effective transport management is essential for the orderly and safe operation of the transport system. Modern technology is used in a variety of ways to improve the efficiency and effectiveness of transport management.

Licensing

At year-end, there were 2,082,274 licensed drivers, 693,251 licensed private vehicles and 6,289 government vehicles. Of the 113,415 licensed goods vehicles, 71,712 were light goods vehicles, 36,630 medium goods vehicles and 5,073 heavy goods vehicles. On average, 4,960 new learners' driving licences were issued per month.

Driver Improvement Scheme

The Road Traffic Ordinance and the Road Traffic (Driving-offence Points) Ordinance require offenders who have been convicted of serious traffic offences and traffic offenders who have accumulated 10 Driving Offence Points within two years to attend a driving improvement course provided by a designated driving school. The courses are also open to the general public. From September 2002 to December 2014 about 123,000 drivers attended the course, including 97,000 drivers who were required to attend the course on a mandatory basis. About

80 per cent of drivers who attended the course did not incur new driving-offence points for six months after the course.

Vehicle Examination

Vehicles are examined routinely to ensure they are safe, roadworthy and properly maintained. In 2014, 223,000 vehicles were examined at the government vehicle examination centres. In addition, 3,500 spot checks were carried out on franchised buses to determine their safety, roadworthiness and service standards. Private cars over six years old and light goods vehicles not exceeding 1.9 tonnes are inspected annually at 22 designated car testing centres run by the private sector. These centres carried out 312,500 vehicle examinations.

All vehicles imported into Hong Kong must be examined to make sure they meet statutory requirements before they can be registered and licensed. In 2014, 929 vehicle types were approved.

Intelligent Transport Systems

Real-time traffic data (including closed circuit television (CCTV) traffic snapshot images, cross-harbour journey times, traffic speed maps, and special traffic news) can be downloaded by the public for free through the government Data.One portal. The websites and mobile applications of 'Hong Kong eTransport' and 'Hong Kong eRouting' have been enhanced to make it easier for the public to search for public transport information and driving routes, and to obtain real-time traffic information anytime and anywhere. In November 2014, eight 'Hong Kong eTransport Kiosks' were installed, as a pilot, in six locations, including Terminal 1's arrival halls at the airport, the Hong Kong Convention and Exhibition Centre and public transport interchanges, enabling those who do not have mobile data service to access the functions provided by Hong Kong eTransport.

As at the end of 2014, there were 669 CCTV cameras installed at busy traffic spots across the territory to monitor traffic conditions so that drivers can be alerted to avoid adverse traffic conditions as soon as possible. Snapshot images from CCTV cameras at 180 strategic locations are available to the public online and on mobile devices.

A computerised Area Traffic Control (ATC) system connected to the traffic signalling system in the urban areas and in the new towns at Tsuen Wan, Kwai Tsing, Sha Tin, Ma On Shan, Tai Po, North District, Tuen Mun, Yuen Long and Tseung Kwan O enables better traffic control in response to changing road conditions. At year-end, 1,863 traffic signals were in operation at road junctions, 1,802 of which were linked to the ATC system. The remaining junctions will be linked to the ATC system progressively. To save costs and the environment, all conventional traffic signals on public roads have been replaced with light emitting diode traffic signals.

Traffic control and surveillance (TCS) facilities, such as CCTV, variable speed limit signs and lane signals, are provided in all tunnels, Tsing Ma Control Area, Tsing Sha Control Area and Kong Sham Western Highway. TCS facilities are also being installed on major highways under construction or reconstruction.

Digital red light cameras are in operation at 155 signalised junctions throughout the territory to combat red light jumping, and new red light cameras will be installed at another 40 junctions by 2015. There are 20 digital Speed Enforcement Camera units operating in 120 camera housings on a rotational basis. A further five cameras are operated in 33 camera housings on a rotational basis in Tsing Ma Control Area and Tsing Sha Control Area. In addition, two portable speed enforcement cameras are used at eight locations on a rotational basis in Tsing Sha Control Area.

Journey Time Indication System is in operation on Hong Kong Island and Kowloon side providing estimated journey times of different cross-harbour routes at critical diversion points to assist motorists to make an informed route choice. Five speed map panels in operation in the New Territories advise motorists on the congestion level of alternative routes and provide information on the estimated journey time.

A Traffic and Incident Management System is being developed to improve efficiency and effectiveness in managing traffic and transport incidents and in disseminating relevant information to the public. The project is scheduled for completion in 2016.

Automatic Toll Collection

Except for the Discovery Bay Tunnel Link, all tolled tunnels and the Lantau Link have automatic toll collection (autotoll) systems, allowing motorists with autotoll tags on their vehicles to drive through designated toll booths without having to stop to pay. About 48 per cent of motorists used autotoll when driving through the tolled tunnels and tolled roads in 2014.

Parking

On-street parking is provided where there is demand and only when traffic conditions permit. At year-end, Hong Kong had about 18,000 parking spaces with electronic parking meters in operation, managed and operated by a private operator under government contract, and 15,300 non-metered on-street parking spaces.

The government owns 12 multi-storey public car parks and a 'Park-and-Ride' public car park in Sheung Shui which are run by two private operators under government contract and provide about 6,100 public parking spaces.

In addition to government car parks, off-street public parking is provided by the Airport Authority at Hong Kong International Airport, the Housing Department and The Link REIT in some public housing estates, and by the private sector in multi-storey commercial/residential buildings and open-air public car parks.

Park-and-ride facilities are operated by the MTRCL at Choi Hung Station on the Kwun Tong Line, at Hong Kong, Kowloon and Tsing Yi stations on the Airport Express, Hung Hom Station on the East Rail Line, Kam Sheung Road Station on the West Rail Line, and by private operators at some commercial car parks located near Olympic Station on the Tung Chung Line, Wu Kai Sha Station on the Ma On Shan Line, Tuen Mun Station on the West Rail Line and Hang Hau Station on the Tseung Kwan O Line. In all, there are 197,200 off-street public parking spaces (excluding those in government car parks).

Road Safety

There were 15,790 traffic accidents involving injuries in 2014, of which 2,508 were serious and 99 were fatal. This compares with 16,089 accidents in 2013, of which 2,476 were serious and 128 were fatal. Traffic accidents involving injuries decreased by 1.9 per cent in 2014, compared with 2013.

Pedestrian Transport

Hillside Escalator Links and Elevator Systems

The Central Mid-Levels Escalator Link on Hong Kong Island is the world's longest outdoor covered escalator system, stretching over 800 metres and climbing 135 vertical metres from Des Voeux Road Central to Conduit Road. Opened in 1993, it consists of 18 reversible one-way escalators and three reversible one-way travelators. Average daily traffic is about 85,000 people.

The Centre Street Escalator Link in Sai Ying Pun, opened in 2013, comprises one two-way escalator and three one-way escalators and runs from Third Street to Bonham Road, carrying about 15,000 people a day.

In addition, construction of the Pedestrian Link at Tsz Wan Shan and the Yuet Wah Street Pedestrian Linkage is going ahead under the Shatin to Central Link project and the Kwun Tong Town Centre Redevelopment respectively.

Improving the Pedestrian Environment

Pedestrian schemes have been introduced to improve the pedestrian environment in Central, Wan Chai, Causeway Bay, Stanley, Tsim Sha Tsui, Jordan, Mong Kok, Sham Shui Po, Yuen Long and Sheung Shui. The government is also taking forward pedestrian environment improvement schemes in Yuen Long and Mong Kok. Under the Yuen Long Town Pedestrian Environment Improvement Scheme, seven minor schemes (such as improvement of pedestrian crossings and widening of foot paths) have been completed while the proposed elevated pedestrian corridor along Yuen Long Town Nullah is proceeding to the investigation and detailed design stage with the construction expected to commence in 2017. Further investigations are under way for a proposed footbridge system in Mong Kok.

'Universal Accessibility' Programme

The government has been installing barrier-free access facilities (lifts or ramps) at public footbridges, elevated walkways and subways maintained by the Highways Department where technically feasible for years. Lifts or standard ramps will be retrofitted for existing public walkways if they are not equipped with standard barrier-free access facilities and there are no crossing facilities available at the same level within about 100 metres. Out of the remaining 154 retrofitting works items, 10 items were completed in 2014.

In August 2012, the government launched a new 'Universal Accessibility' programme which aims at further enhancing the barrier-free access facilities for existing public walkways maintained by the Highways Department. The government is taking forward the lift retrofitting works items for the three public walkways selected by each of the 18 District Councils for

priority implementation. Technical feasibility studies for the works have been largely completed. The detailed design works for those items confirmed to be technically feasible and supported by the District Councils are under way.

Maritime transport

Domestic Ferries

Ferries provide essential transport links to outlying islands where no land transport alternatives are available. They also provide an alternative transport service to and from the inner harbour and other areas in Hong Kong.

At year-end there were 13 franchised and licensed ferry operators running 20 regular passenger ferry services, two dangerous goods vehicular ferry services and two special services for the harbour and for trips to the new towns and outlying islands. These were supplemented by 70 'kai-to' ferry services, which provide services to relatively remote parts of Hong Kong. Ferries recorded a daily average of about 68,200 passenger trips within the harbour and about 67,200 passenger trips to and from the outlying islands.

Cross-Boundary Ferries

Cross-boundary ferry services to Macao and some 12 Mainland ports are provided by six operators at the Hong Kong–Macao Ferry Terminal in Sheung Wan and the China Ferry Terminal in Tsim Sha Tsui.

In 2014, 21.5 million travellers used cross-boundary ferry services to travel to and from Macao, while the number travelling to and from Mainland ports was 4.94 million.

Local Vessels

In 2014, about 17,748 local vessels (including passenger, cargo, fishing and pleasure vessels) were licensed in Hong Kong to provide a variety of services for the port and the community.

Public Transport Fare Concessions

The government encourages public transport operators to provide fare concession schemes, taking into account their respective operating and financial conditions, market situation and passenger needs.

The MTRCL offers various concessions to passengers, including Monthly Passes for East Rail, West Rail and Tung Chung Lines, a Student Travel Scheme, fare concessions for children, Fare Savers discounts, and interchange discounts.

Franchised bus companies offer concessionary half fares for children under 12. Section fares are available for about 80 per cent of mid-distance and long-distance routes (ie about 440 routes) in Hong Kong and the bus companies also provide about 305 Bus-Bus Interchange concession schemes, covering about 400 bus routes or about 72 per cent of all routes. The tramway and

ferries have discount fares for the elderly and children and some PLB routes run concessionary fare schemes.

Concession Scheme for the Elderly and Eligible Persons with Disabilities

To encourage the elderly and eligible persons with disabilities to participate more in community activities, the government implemented the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities on the MTR, franchised buses and ferries in phases between June 2012 and March 2013. Those eligible can travel on most MTR, franchised bus and ferry services at a concessionary fare of \$2 per trip any time. As at the end of 2014, the average daily number of passenger trips under the scheme was about 732,500. The scheme was extended to eligible children with disabilities aged below 12 in May 2014. The government plans to extend the scheme to green PLBs in phases from March 2015.

The Port

In 2014, Hong Kong handled a total of 22.2 million Twenty-foot Equivalent Units of containers (TEUs), and was the fourth busiest port in the world. Some 380,100 vessels arrived in and departed from Hong Kong during the year, carrying 298 million tonnes of cargo and about 29.3 million passengers. Most of these passengers commuted on a highly efficient fleet of high-speed ferries, including jetfoils and catamarans, to and from Macao and ports on the Mainland.

Hong Kong is a modern, well equipped deep-water port serving two main types of maritime transport: ocean-going vessels from all parts of the world and river-trade vessels from the Pearl River. A daily average of around 83 ocean-going vessels and 436 river-trade vessels arrive at the port; and many high-speed ferries and local vessels work in, or pass through, the harbour.

Port Administration

The Marine Department administers the port, with its principal task to ensure safety of navigation and efficiency of shipping activities in Hong Kong waters. This is achieved through comprehensive traffic management, harbour patrols, vessel traffic services, provision of mooring buoys and strict enforcement of rules and standards of the major international maritime conventions.

The department liaises closely with shipping and commercial organisations through a number of advisory and consultative committees. Through these channels, users and operators of port facilities can advise the government on port administration matters. The Port Operations Committee advises on all matters related to efficient operation of the port, the Pilotage Advisory Committee on pilotage services, and the Port Area Security Advisory Committee on port security. In addition, the Local Vessels Advisory Committee deals with matters related to local vessels, while the Shipping Consultative Committee advises on the operation of the Hong Kong Shipping Register (HKSR) and Hong Kong's participation in the International Maritime Organisation.

The department's website provides a wide range of information on the port and the HKSR, such as notices and details of the department's services and facilities. Special features include the

application of Really Simple Syndication to publish updated Hong Kong Merchant Shipping Notices, Hong Kong Merchant Shipping Information Notes and Marine Accident Investigation Reports; maritime security levels of the port and the Hong Kong-registered ships; Hong Kong Shipping Directory, in which Hong Kong-based marine services companies are listed; real-time vessel arrival and departure information; examination schedules for seafarers; verification of Port Clearance Permits issued; allocation of approved berthing slots at the Hong Kong-Macao Ferry Terminal and the China Ferry Terminal; and port and maritime statistics. A link to the website on cross-boundary ferry services is also available on the department's website, providing real-time berthing information about Hong Kong-Macao and Hong Kong-Mainland China passenger vessels.

The department's Electronic Business System provides a one-stop solution to simplify and speed up the submission and processing of port formalities, offering services such as online submission of applications, auto-approval for online applications, self- printing of permits/certificates, online payment via auto-pay and online checking of application status.

Port Infrastructure, Facilities and Services

Hong Kong is one of the world's busiest ports, and marine civil works are essential to keep the port running smoothly. The Civil Engineering and Development Department (CEDD) carries out maintenance work on public landing steps and ferry piers and terminals, the Kai Tak Cruise Terminal, breakwaters, and other public marine facilities, as well as ensuring regular maintenance dredging of the harbour, navigation channels and major river channels. The CEDD currently maintains 506 hectares of typhoon shelters, five kilometres of quays at public cargo working areas, 127 kilometres of seawalls and breakwaters, 315 piers and landing steps, 101 dolphins (mooring structures), 14,100 hectares of fairways and 3,590 hectares of anchorage areas.

The CEDD also plans, designs and constructs public marine facilities. In 2014, the CEDD continued with the planning and design of a new public landing facility at Lei Yue Mun and reconstruction of Sharp Island Pier and commenced construction of two additional berths at Sai Kung Public Pier and a cycle parking area at Yung Shue Wan Ferry Pier.

Container handling facilities are a key part of the logistics sector's infrastructure. The nine container terminals at the Kwai Chung-Tsing Yi area, which handle 79 per cent of Hong Kong's container throughput, have 24 berths with a total handling capacity of over 20 million TEUs per year.

To strengthen Hong Kong's position as an Asia-Pacific regional hub port, in August 2013 the government commenced dredging works for the Kwai Tsing Container Basin and related fairways to a depth of 17.5 metres. When completed in early 2016, this will enable the new generation of ultra-large container ships to use the port at all tides.

Public Cargo Working Areas

The Marine Department manages six public cargo working areas with a total berth length of about 5,000 metres, which are open to cargo operators for loading and unloading cargo onto and from barges and coasters.

Cross-boundary Ferry Terminals

The Marine Department operates two cross-boundary ferry terminals: the Hong Kong–Macao Ferry Terminal with 10 berths and the China Ferry Terminal with 12 berths. The Hong Kong–Macao Ferry Terminal operates round-the-clock. The China Ferry Terminal operates daily from 7 am to midnight. The department controls and regulates the use of these cross-boundary ferry terminals under the Shipping and Port Control (Ferry Terminals) Regulations.

Mooring Buoys

The Marine Department provides 13 Class ‘A’ and four Class ‘B’ mooring buoys for vessels up to 183 metres and 137 metres long respectively.

Bunkering and Potable Water Supply

Bunkering is readily available at commercial wharves and oil terminals or from a large fleet of private bunkering barges. Bunker supplies meet the latest requirements under Annex VI of the International Convention for the Prevention of Pollution from Ships (also known as the MARPOL Convention). Fresh water can also be supplied alongside berths or from a fleet of private water boats.

Vessel Traffic Services

The department’s Vessel Traffic Centre operates round-the-clock to provide vessel traffic services (VTS) with a modern VTS surveillance system, and a Very High Frequency radio system with full coverage of all navigable waters in Hong Kong.

Harbour Patrol and Local Control Station

The department’s Harbour Patrol Section operates 25 patrol launches which help enforce marine legislation, maintain safety of the port and shipping, as well as respond to marine emergencies.

The department’s local traffic control station at Kwai Chung Container Terminal 8 operates 24 hours. Equipped with a dedicated patrol launch, the station provides information and traffic organisation services to vessels in the vicinity of the Kwai Chung–Tsing Yi container port area.

Pilotage

Pilotage is compulsory in Hong Kong waters for any vessel of 3,000 gross tonnage and above, oil tankers of 1,000 gross tonnage and above, and all gas carriers. The Director of Marine is the pilotage authority, who regulates and monitors pilotage services with the assistance of the Pilotage Advisory Committee.

Hydrographic Services

The Hydrographic Office carries out hydrographic surveys and produces nautical charts, Electronic Navigational Charts and publications in Chinese and English. It issues Notices to Mariners for updating the charts once every two weeks, and also provides real-time information about tides, and Ma Wan transit tidal window predictions through the internet.

Immigration and Quarantine

Immigration and quarantine services for ships are available at the Western and Eastern Quarantine and Immigration Anchorages. Immigration service is also available at the Tuen Mun Immigration Anchorage for river-trade vessels. Shipping agents may apply for immigration and quarantine services, including advance clearance, for ships.

Carriage of Dangerous Goods

The Marine Department conducts random shipboard inspections of vessels in Hong Kong waters in accordance with international and local standards. An effective notification system for monitoring dangerous goods carried by local vessels was introduced in 2012.

Local Vessels Safety Certification

The Marine Department's Local Vessels Safety Section provides survey and certification services for local vessels to make sure they comply with safety and pollution prevention requirements. Under the Merchant Shipping (Local Vessels) Ordinance, the plan approval and ship survey work for certain types of local vessels may be carried out by recognised authorities, organisations or professionals authorised by the department.

Port Security

All designated port facilities in Hong Kong comply fully with the International Maritime Organisation's International Ship and Port Facility Security Code. The Marine Department implements the code, including monitoring the training and qualifications of the port facilities' security personnel, security exercises and drills conducted at the port facilities, and carrying out annual audits of port facility security arrangements.

Marine Industrial Safety

The Marine Department enforces safety requirements on works carried out on board vessels, including cargo handling, ship repair and marine construction under the Shipping and Port Control (Works) Regulation and Merchant Shipping (Local Vessels)(Works) Regulation. Its Marine Industrial Safety Section conducts safety checks on works carried out on board vessels, and promotes safe working practices and regulations for frontline workers.

Port Development

Planning and Development

The Marine Department provides professional advice on the planning of projects that affect the port and marine traffic, and promulgates in Marine Department Notices the details of marine works. The department's statistical unit compiles and analyses maritime and port statistics on vessel movements and container throughput, and publishes them periodically on its website.

Strategic Planning

In 2014, the government completed the 'Study on the Strategic Development Plan for Hong Kong Port 2030'. Taking into account the study's recommendations and stakeholders' views, the government will take forward a series of port enhancement measures to improve the port's operational efficiency.

Hong Kong Port Development Council

In Hong Kong, all container terminal facilities are financed, developed, owned and operated by the private sector. The government's role is to undertake long-term strategic planning for port facilities and to provide the necessary supporting infrastructure, such as roads and channels to the terminals.

The Hong Kong Port Development Council, chaired by the Secretary for Transport and Housing and comprising industry representatives and senior government officials, advises the government on port development strategies and facility planning to meet future demands. It also assists the government in promoting Hong Kong as a regional hub port and a leading world container port.

Maritime Industry

About 70 international shipping lines offer ocean liner services in Hong Kong, with around 350 sailings weekly connecting to about 510 destinations worldwide. In addition, there are over 700 shipping-related companies operating in Hong Kong, providing a great variety of quality maritime services, ranging from ship agency and management to ship owning, ship broking and marine insurance. Maritime law and arbitration services are also available. Hong Kong is also the leading international ship finance centre in Asia. Hong Kong's ship owners control about 8 per cent of the world's merchant fleet in terms of deadweight tonnage.

Some of the world's largest and oldest shipping companies are based in Hong Kong, providing professional services not only to Hong Kong-registered ships but also to ships calling at Hong Kong. Other international maritime service providers have also set up offices in Hong Kong, providing various supplies and support services including ship maintenance and repair, bunkering, ship replenishment, waste disposal, information technology and communication services, auditing and tax advisory, and training services.

Hong Kong is proactive in negotiating double taxation relief arrangements covering shipping income with its trading partners. It has so far made such arrangements with 39 tax administrations: Austria, Belgium, Brunei, Canada, Chile, the Czech Republic, Denmark, France, Germany, Guernsey, Hungary, Indonesia, Ireland, Italy, Japan, Jersey, Kuwait, Liechtenstein, Luxembourg, the mainland of China, Malaysia, Malta, Mexico, the Netherlands, New Zealand, Norway, Portugal, Qatar, the Republic of Korea, Singapore, South Africa, Spain, Sri Lanka, Switzerland, Thailand, the United Arab Emirates, the United Kingdom, the United States of America, and Vietnam.

Hong Kong Maritime Industry Council

The Hong Kong Maritime Industry Council, chaired by the Secretary for Transport and Housing and comprising industry leaders and senior government officials, advises the government on measures and initiatives to develop further Hong Kong's maritime industry. It also assists the government in promoting Hong Kong's maritime services and its status as an international maritime centre through different forums, including visits to Athens and London in 2014.

Maritime and Aviation Training Fund

The government launched a \$100-million Maritime and Aviation Training Fund on 1 April 2014 to support manpower development of the maritime and aviation sectors. The fund aims to build up a vibrant, diversified and competitive pool of professionals and technical personnel to support the sectors' future development, and it supports various scholarships, training and promotion initiatives. New initiatives have been launched to finance those working in the two sectors to take up professional training and examinations, and to provide internship positions offering young people early exposure to the experience of working in the sectors.

Hong Kong Shipping Register

In 2014, the total gross tonnage of ships registered on the Hong Kong Shipping Register (HKSR), administered by the Marine Department, rose to over 92.78 million. In 2014, the HKSR ranked within the world's top five shipping registers. To maintain high standards, the Marine Department conducts a Pre-registration Quality Control assessment of ships intending to join the register and implements a Flag State Quality Control System to ensure ships on the register comply with international standards. As a result of these quality control measures, the Port State Control detention rate of Hong Kong-registered ships remained well below the world average, which enabled the Hong Kong flag to maintain its position among the top performance flags in the white list established by the Tokyo Memorandum of Understanding (MoU) of Port State Control; and for its ships to be classified as low risk under the Paris MoU. In addition, Hong Kong also holds the United States Coast Guard's 'Qualship 21' status.

Marine Accident Investigations

The Marine Department's Marine Accident Investigation and Shipping Security Policy Branch (MAISSPB) investigates all serious ship related accidents occurring on Hong Kong-registered ships and in Hong Kong waters. The purpose of the investigation is to determine the circumstances and the possible causes of the accident and recommend preventive measures against recurrences. In 2014, the MAISSPB investigated 34 serious accidents. To improve public awareness of maritime safety, investigation reports of all serious accidents are published on the department's website.

The Chief Executive may order a public inquiry by a Marine Court or a Commission of Inquiry into a serious accident. For accidents involving licensed pilots, a Board of Investigation may be ordered by the Director of Marine.

Seafarers

The Marine Department's Shipping Registry and Seafarers Branch supervises the registration, employment, competence, discipline, health, safety and welfare of Hong Kong seafarers, as well as seafarers working on board Hong Kong-registered ships. In 2014, 49,659 seafarers of different nationalities served on board Hong Kong-registered seagoing ships and 1,531 officers and ratings served on high-speed ferries plying within the Pearl River Delta Region.

The Sea-going Training Incentive Scheme is designed to attract local graduates to join the maritime profession in Hong Kong by providing financial incentives for them to take up sea-going cadetship training. By December 2014, 347 cadets had joined the scheme since it started in July 2004.

Participation in International Maritime Activities

International Maritime Organisation

The HKSAR Government, under the name 'Hong Kong, China', is an associate member of the International Maritime Organisation (IMO) and has a permanent representative in London. The Hong Kong maritime industry is consulted on, and closely informed of, all issues discussed at IMO meetings that may affect Hong Kong. In 2014, HKSAR Government officials attended 17 IMO meetings. Topics discussed included enhancing maritime safety and security, measures to reduce marine pollution, matters related to maritime laws, seafarers' training and certification of standards, facilitation of international maritime traffic, and other maritime matters.

Port State Control

Hong Kong is a member of the MoU on Port State Control (PSC) in the Asia-Pacific Region. The Marine Department participates in its various activities, including leading the Advisory Group on Technical Co-operation Programmes and as a member of three other working groups.

In 2014, the Marine Department's officers conducted 736 initial PSC inspections on foreign ocean-going ships, or 15.7 per cent of all foreign ocean-going ships that visited Hong Kong. About 6.39 per cent of ships inspected were detained because of serious deficiencies that needed immediate attention.

Maritime Search and Rescue

The Marine Department's Maritime Rescue Co-ordination Centre (MRCC) co-ordinates search and rescue operations within Hong Kong waters and in international waters of the South China Sea. Its area of responsibility covers about 450,000 square nautical miles. The MRCC is manned by professional staff and equipped with modern communications equipment for receiving distress alerts and communicating with ships.

Government Fleet and Dockyard

Government Fleet

The government fleet, with over 800 vessels, serves 14 government departments. The Marine Department itself controls 75 vessels. These include patrol launches, purpose-built conveyance launches, pontoons, hydrographic survey launches and explosives carriers. These vessels either

support the department's own port operations or serve other departments that do not have their own fleets. In 2014, the Marine Department also had 26 vessels, including conveyance launches and tugboats, provided under contracts by private operators.

Government Dockyard

The Government Dockyard, managed by the Government Fleet Division, designs, procures and maintains all government vessels. It occupies a site of 9.8 hectares on Stonecutters Island and has a sheltered water basin of 8.3 hectares as one of the Marine Department's operational bases. For repair and maintenance of vessels, the dockyard has four movable canopies, 10 covered docking and repair sheds and 30 open-yard docking cradle spaces, supported by a ship-lift system and three ship-hoists capable of dry docking vessels of up to 750 tonnes.

In 2014, 45 new craft, costing \$14.89 million, were built for the government and 14 new craft building contracts, worth \$14.78 million, were awarded to shipbuilders in Hong Kong. The total expenditure in maintaining the Government Dockyard systems and government fleet was close to \$465 million.

Air Transport

Hong Kong is a major international and regional aviation centre. At year-end, there were more than 100 airlines providing about 7,400 weekly scheduled services between Hong Kong and about 180 destinations worldwide.

Hong Kong International Airport

In 2014, 63.3 million passengers passed through Hong Kong International Airport (HKIA), a rise of 5.7 per cent over 2013, the airport handled 4.38 million tonnes of cargo, a rise of 6 per cent over 2013, and there were about over 390,955 flights to and from Hong Kong, a rise of 5.1 per cent over 2013.

The airport continues to provide extensive land and sea connections to the Pearl River Delta (PRD) region. In 2014, there were about 89 daily ferry trips between SkyPier and Guangzhou's Nansha, Shenzhen's Shekou and Fuyong, Dongguan's Humen, Zhongshan, Zhuhai's Jiuzhou and Macao's Maritime Ferry Terminal and Taipa. With 550 daily scheduled coach trips, passengers enjoy convenient services between the airport and about 110 PRD cities and towns. The number of cross-boundary limousines serving Mainland cities and towns daily reached 280 in 2014.

Airport Services

Plans to increase aircraft parking stands in the medium term are under way. The 28 stands provided in the west apron expansion projects were completed in 2014. For the midfield development, the midfield concourse topping-out ceremony was held in November 2014 and 20 stands are targeted for completion in 2015. More stands are being planned in the remaining midfield to meet future needs.

Future development

To cope with the air traffic demand in the long run, the government gave in-principle approval in 2012 for the Airport Authority Hong Kong (AAHK) to adopt the three-runway system (3RS) for the purposes of planning the future development of the airport. The AAHK successfully completed the statutory Environmental Assessment process with the Director of Environmental Protection's issuing of an environmental permit for the project on 7 November 2014. The AAHK has also completed the remaining planning work, including the associated design details and the financial arrangements study for the project. According to the current plan, the AAHK targets to commission the project in 2023.

With 3RS in place, the HKIA's handling capacity will be increased from 420,000 air traffic movements per year to 620,000 per year. The added capacity at HKIA will be able to cope with Hong Kong's long term air traffic demand. The AAHK estimated that HKIA will handle over 100 million passengers and 8.9 million tonnes of cargo annually by 2030.

Recognition

HKIA has been named the 'world's best airport' over 55 times since it opened in 1998. HKIA was honoured as the World's Best Airport in Smart Travel Asia's 2014 Best in Travel Poll. It was also named 'Best Airport in China' by travel magazine Business Traveller China, and 'Asia Pacific Airport of the Year – Industry Choice Award' by the industry publication Payload Asia.

Air Services

Under authorisation of the Central People's Government, the HKSAR Government negotiates and concludes bilateral air services agreements with aviation partners to provide the legal framework for scheduled air services between Hong Kong and other places. At present, there are 63 such agreements. The government also reviews the traffic rights arrangements with its aviation partners to expand Hong Kong's aviation network and to allow more competition in the market. In 2014, the government expanded traffic rights arrangements with 10 aviation partners and signed an air services agreement with Madagascar. In 2014, the Air Transport Licensing Authority granted a variation to Hong Kong Airlines (CRK)'s licence for the addition of new routes.

In 2014, Cathay Pacific Airways operated scheduled services to 73 destinations worldwide, while Hong Kong Dragon Airlines operated scheduled services to 43 destinations in Asia (including 20 cities in the Mainland). Air Hong Kong operated scheduled all-cargo services to 12 destinations in Asia. CRK operated scheduled services to 37 destinations, including various countries in Asia and all-cargo services to Turkey. Hong Kong Express Airways, the only local low-cost carrier, operated scheduled services to 16 destinations in Asia. The fleet of all the local airlines totalled 231 aircraft during the year.

Three non-Hong Kong airlines commenced scheduled passenger services to Hong Kong in 2014: American Airlines started services from Dallas in June; Siam Air Transport started services from Bangkok in October; and Vanilla Air started services from Tokyo in November.

Air Traffic Management

In 2014, the Air Traffic Management system handled about 392,000 movements at the HKIA and 234,000 over-flights, including traffic to and from Macao, representing an increase of 5.2 per cent and 6.8 per cent respectively over 2013. Average daily flight movements at HKIA in the fourth quarter were 1,099. The Civil Aviation Department (CAD) increased the runway capacity from 65 to 66 flight movements per hour in 2014 by improving the airspace and flight procedures design. To manage the provision of safe, efficient and sustainable air traffic control (ATC) service to support the projected air traffic growth, the CAD continued its Replacement ATC System Project. The new ATC system is undergoing a series of thorough and stringent acceptance tests, as well as safety assessment in accordance with established international aviation safety management standards and procedures. The new ATC Centre will be ready for operation after completion of comprehensive system testing and controller training.

Aviation Security

Conventions and agreements on aviation security, promulgated by the International Civil Aviation Organisation, are implemented through the Aviation Security Ordinance. The Hong Kong Aviation Security Programme, which was drawn up under the ordinance in consultation with the aviation community and other concerned parties, stipulates the aviation security requirements for the various operators and service providers at HKIA. The implementation of these requirements is closely monitored by the CAD to ensure that international standards are met.

International Transport and Logistics

Logistics is an important sector of the economy, accounting for about 3.2 per cent of Hong Kong's Gross Domestic Product. Given its strategic location, world-class infrastructure and business-friendly environment, Hong Kong has long established itself as a preferred transport and logistics hub in Asia. It is also one of the world's busiest international air cargo centres and one of the world's busiest container ports. These achievements are attributed to the operators of the services and facilities — the investors and the efficient workforce, as well as the constructive partnership and co-operation between the private and public sectors. Efficient, reliable and well connected, Hong Kong's airport and seaport are vital to the territory's logistics industry.

Hong Kong is also home to the most productive and efficient container terminals and to the biggest private terminal operators in the world. A comprehensive network of container line services connects the port of Hong Kong with destinations across the globe. Operating round the clock, the nine container terminals at Kwai Chung–Tsing Yi provide a total handling capacity of over 20 million TEUs per year.

Development of Hong Kong's Logistics Industry

The government provides the necessary infrastructure and environment for Hong Kong's logistics sector to grow. It also promotes closer co-operation with the Mainland, in particular the Pearl River Delta region, to achieve synergies in logistics development.

The Hong Kong Logistics Development Council, chaired by the Secretary for Transport and Housing, provides a forum for the private and public sectors to foster logistics development in Hong Kong. A study sponsored by the council was completed of the feasibility and effectiveness of establishing an information platform to track real-time movement of goods across the border and to improve cargo information for those in the supply chain. An industry forum was held in November 2014 to disseminate the study results. To encourage the wider use of information technology in logistics operations, the council is sponsoring the SMe-Plug Jumpstart Programme which will provide financial incentives for logistics companies to install a newly developed data connector for easier access to different e-services platforms.

In 2014 the council jointly organised with industry associations various training programmes, workshops and forums for logistics sector employees to keep them abreast of new technology and developments. A promotional visit to Malaysia was also held to promote Hong Kong as a premier logistics and shipping hub in the region.

In November 2014, the Fourth Asian Logistics and Maritime Conference, co-organised by the government and the Hong Kong Trade Development Council, attracted some 1,680 industry professionals from 32 countries and regions, including the Mainland, to discuss and exchange views on key policy factors and changes in production and consumption patterns that are transforming the logistics, supply-chain management and maritime industries.

Websites

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Civil Aviation Department: www.cad.gov.hk

Cross Boundary Ferry Services: crossboundaryferryservices.mardep.gov.hk

Highways Department: www.hyd.gov.hk

Hydrographic Office: www.hydro.gov.hk

Marine Department: www.mardep.gov.hk

Transport and Housing Bureau: www.thb.gov.hk

Transport Department: www.td.gov.hk