

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 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.

In 2015, the government continued to carry out in phases a Public Transport Strategy Study that was launched at the end of 2014 to review the role of non-railway public transport services and the way they complement one another, 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 the public transport system, and are essential to Hong Kong's continued economic, social and land development. They account for about 41 per cent of daily public transport passenger travel and about 55 per cent of land-based cross-boundary passenger trips to the Mainland.

The railways are run by the MTR Corporation Limited (MTRCL), a publicly 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).

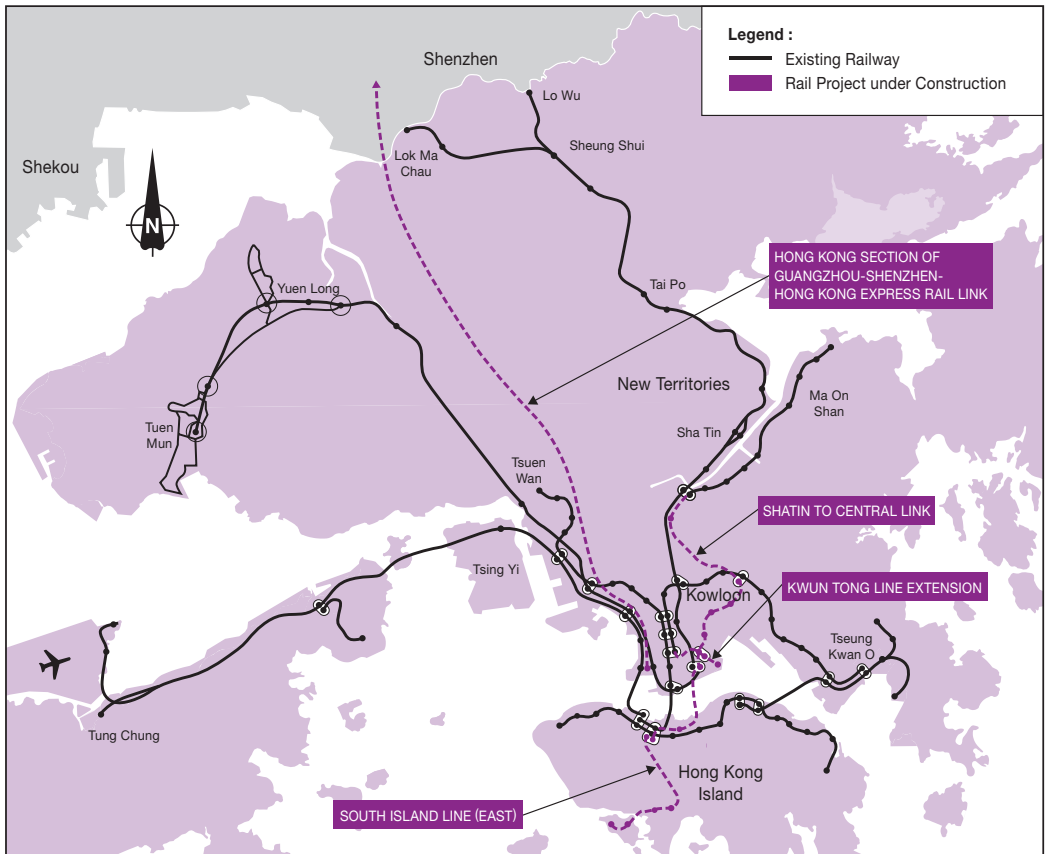
There are 85 stations in the 177.4km network. The MTRCL also operates a 35.2km Airport Express connecting the urban areas to Hong Kong International Airport and AsiaWorld-Expo, and a 36.2km Light Rail network which has 68 stops in the northwest New Territories. Light Rail feeder bus services provide rail passengers with a more comprehensive service network. The entire system carries an average of around 5.1 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 11,500 travellers in 2015.

There are two rail-based crossing points at the Hong Kong-Mainland boundary at Lo Wu and Lok Ma Chau Spur Line control points, which are connected by the East Rail Line.

The West Island Line was fully commissioned in March 2015. It not only extends efficient railway services to the densely populated Western District, but also provides a well-structured pedestrian network in tandem with barrier-free facilities in the vicinity of stations along the line, enabling commuters in the uphill and downhill areas to enjoy convenient access to the railway.

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



Projects under Construction

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 Shatin to Central Link. Construction started in 2011. Upon commissioning, journeys between Yau Ma Tei and Whampoa will take about five minutes, compared with the current 25 minutes by road during rush hour.

The South Island Line (East) is a 7km line running between Admiralty and South Horizons, with three intermediate stations at Ocean Park, Wong Chuk Hang and Lei Tung Estate. Construction began in 2011 and, upon its commissioning, journeys between Admiralty and South Horizons will take about 11 minutes, compared with the current 25 to 45 minutes by road during rush hour.

The 17km long Shatin to Central Link is a strategic project providing territory-wide connections. It will have 10 stations, namely, 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 started in 2012. Upon commissioning, the Shatin to Central Link will handle about 1.1 million passenger trips per day and save about an average of 75 million hours in travelling time per year. It will provide railway service for districts including 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 to relieve the burden on the rail lines in urban Kowloon and on Hong Kong Island.

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

Future Railway Development

The government's Railway Development Strategy 2014, announced on 17 September 2014, provides a framework for planning the expansion of the railway network up to 2031. It recommends that seven railway projects be completed up to 2031 having regard to transport demand, cost effectiveness and the development needs of New Development Areas. These seven projects are the Northern Link and Kwu Tung Station, the Tuen Mun South Extension, the East Kowloon Line, the Tung Chung West Extension, the Hung Shui Kiu Station, the South Island Line (West) and the North Island Line. They will be taken forward in stages.

Tramway

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

Island between Kennedy Town and Shau Kei Wan, and about 3km of single track around Happy Valley.

The company's 166 trams, including two open-balcony trams for tourists and private hire and three special maintenance trams, make up the world's largest fleet of double-deck trams in operation. The tramway recorded a daily average of 180,000 passenger trips in 2015.

Peak Tram

Hong Kong's other tramway is a cable-hauled funicular railway operated by the Peak Tramways Company Limited from Garden Road in Central to The Peak. The 1.4km line began operation in 1888 and was modernised in 1989. In 2015, the Peak Tram recorded an average of 17,500 passenger trips a day.

Road Transport

Road Network

The territory has 2,101km of roads and 1,335 road structures, 16 road tunnels (including 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' (BOT) arrangements: the Eastern Harbour Crossing, Tai Lam Tunnel, Tate's Cairn Tunnel and Western Harbour Crossing. The BOT franchise of the Eastern Harbour Crossing will expire in 2016, whereupon the tunnel will come under the government's ownership. The government has started preparations for the takeover of the tunnel.

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

The five major cable-supported bridges are Tsing Ma, Kap Shui Mun, Ting Kau, Stonecutters and a section of Shenzhen Bay Bridge. Only the first two levy toll charges. 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 21km expressway network comprising mainly Tsing Kwai Highway, Cheung Tsing Tunnel, Ting Kau Bridge, Tsing Ma Bridge

and Kap Shui Mun Bridge. An average of 84,000 vehicles per day used Tsing Ma Bridge and Kap Shui Mun Bridge in 2015.

Tsing Sha Control Area

The Tsing Sha Control Area, managed by a private contractor, is a 13km expressway network comprising mainly Stonecutters Bridge, Nam Wan Tunnel, Eagle's Nest Tunnel, Sha Tin Heights Tunnel and Tai Wai Tunnel. In 2015, an average of 50,000 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 7am to 10pm, while the one at Shenzhen Bay Port is open from 6.30am 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 2015 were 24,200, 4,900, 2,300 and 10,100 respectively, and the daily average numbers of travellers using these control points were 78,000, 10,900, 8,600 and 103,300 respectively. The total cross-boundary vehicular traffic decreased about 0.4 per cent in 2015 compared with the previous year, averaging 41,500 vehicles a day, while the total cross-boundary passenger traffic by rail, road and ferry increased about 1 per cent, reaching 686,000 passengers a day. Most travellers using these control points take cross-boundary coaches or local public transport services where available. In 2015, about 130 companies operated cross-boundary coach services, carrying an average of about 69,400 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 25,200 passengers. Travellers at Shenzhen Bay Port may use the local public transport services there, and these carry an average of 76,600 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 northern shore of Hong Kong Island, are being constructed to alleviate traffic congestion at Connaught Road Central/Harcourt Road/Gloucester Road and to cater for anticipated growth in road traffic. The CWB is a 4.5km dual three-lane trunk road with a 3.7km tunnel. When completed, it will take about five minutes to travel from Central to the Island Eastern Corridor in North Point.

The dual three-lane Fanling Highway between Tai Hang and Wo Hop Shek Interchange is being widened to a dual four-lane carriageway. The project began in July 2013 and the major works are expected to finish 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 airport, started in 2011. Construction works for superstructures of the HKBCF started in 2014.

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

Construction of the TM-CLKL, a dual two-lane road about 9km long connecting Tuen Mun with the HKBCF and North Lantau, began in June 2013.

Planned Projects

A number of road construction and improvement projects are being planned to enhance the road network:

- **Tuen Mun Western Bypass:** The government is reviewing this project, including the works programme, having regard to the latest views of the Tuen Mun District Council.
- **Central-Kowloon Route:** The detailed design for the proposed 4.7km dual three-lane route, with 3.9km of tunnel connecting West Kowloon to the proposed Kai Tak Development and the Kowloon Bay road network, is ongoing.
- **Trunk Road T2:** This proposed dual two-lane carriageway within the Kai Tak Development is about 3km long, including 2.7km 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:** This dual two-lane carriageway of 4.2km with a 2.6km tunnel is proposed to connect Tseung Kwan O with the Eastern Harbour Crossing and Cha Kwo Ling Road in Kwun Tong, as well as Trunk Road T2 in the Kai Tak Development. Detailed design has been substantially completed.
- **Cross Bay Link:** A detailed design is being prepared for this dual two-lane carriageway of 1.8km with a 1.1km viaduct to connect Tseung Kwan O-Lam Tin Tunnel and Wan Po Road near Area 86, Tseung Kwan O.
- **Tai Po Road (Sha Tin Section):** The detailed design for widening the dual two-lane Tai Po Road between Sha Tin Rural Committee Road and Fo Tan Road to a dual three-lane route started in December 2015.
- **Hiram's Highway:** Of the proposed improvement works, 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. Tenders for works under Stage 1 have been invited, while planning for Stage 2 works is under way.
- **Trunk Road T4:** The proposed dual two-lane carriageway will connect Sha Tin Road to Tsing Sha Highway and Shing Mun Tunnel Road, and will be used as a bypass to Tai Po

Road (Sha Tin Section) to cater for long-term traffic flow in Sha Tin. The planning for the project is under review.

The proposed Liantang/Heung Yuen Wai Boundary Control Point will connect with the Shenzhen Eastern Corridor and provide efficient access to eastern Guangdong, Fujian and Jiangxi provinces via the Shenzhen-Huizhou and Shenzhen-Shantou expressways. Upon commissioning of the new control point, 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.

Buses

Franchised Buses

Franchised buses are the largest road-based carriers, accounting 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 the year end, KMB was operating 316 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 3,888 buses, of which 3,580 were wheelchair-accessible low-floor vehicles. It recorded 969 million passenger trips in 2015, or an average of 2.66 million per day, covering 285.59 million km of roads.

Bus services on Hong Kong Island are mainly provided by New World First Bus Services Limited (NWFB) and Citybus Limited (CTB). At the year end, NWFB was operating 45 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 720 buses, all of which were wheelchair-accessible low-floor vehicles. It recorded 169 million passenger trips in 2015, or an average of 463,500 per day, covering 44.35 million km of roads.

CTB operates two bus networks under two franchises. One covers 52 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 21 routes plying between the urban areas and North Lantau and the airport. At the year end, CTB had a licensed fleet of 944 buses, of which 792 were wheelchair-accessible low-floor vehicles. CTB recorded 229 million passenger trips in 2015, or an average of 626,400 per day, covering 80.76 million km of roads.

The Long Win Bus Company Limited was operating 23 routes between the New Territories and North Lantau and the airport as at the year end with a licensed fleet of 190 buses, all wheelchair-accessible low-floor vehicles. The company recorded 36.66 million passenger trips in 2015, or an average of 100,500 per day, covering 28.03 million km of roads.

The New Lantau Bus Company (1973) Limited (NLB) was operating 23 routes on Lantau Island as at the year end with a licensed fleet of 123 vehicles, of which 54 were wheelchair-accessible low-floor vehicles. The company recorded 25.48 million passenger trips in 2015, or an average of 69,800 per day, covering 8.5 million km of roads.

In 2015, the government continued to work with bus operators to actively rationalise their services, including using an 'area approach' to review bus services on an area basis rather than route by route, so as to enhance network efficiency, improve service quality, alleviate traffic congestion and improve roadside air quality. The focus in 2015 was on rationalising bus services in Kowloon. Passengers could enjoy a more extensive interchange network and fare concessions when interchanging. Changes were also introduced to bus services for western and southern parts of Hong Kong Island to achieve better co-ordination with the opening of a new railway line, the West Island Line.

On 22 September 2015, the government granted new 10-year franchises to CTB in respect of its Hong Kong Island and cross-harbour bus network and to NLB for them to continue operating their existing services on the expiry of their franchises in June 2016 and March 2017 respectively. The two companies will continue to improve their services and further invest in bus operations. In particular, both are committed to introducing a real-time bus information system in phases within two years of starting their new franchises.

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 gaps which cannot be met by regular public transport services, and provide tailor-made services to specific groups of passengers. They serve mainly tourists, estate residents, employees and students. At the year end, there were 7,045 registered non-franchised public buses.

Public Light Buses

Public light buses (PLBs) are licensed to carry a maximum of 16 passengers each. The number of PLBs has been capped at 4,350 since 1976. They together provide about 1.86 million passenger trips per day.

There are two types of PLBs – green minibuses (GMBs) and red minibuses (RMBs). GMBs provide scheduled services with fixed routes, fares, vehicle allocation and timetables as stipulated by the Transport Department. At the year end, 3,204 GMBs were operating 351 routes, recording a daily average of 1,525,900 passenger trips. RMBs are not required to operate on fixed routes or timetables and may set their own fares but are subject to restrictions on their operating areas. There were 1,146 RMBs in operation at the year end, recording a daily average of 338,300 passenger trips.

To further enhance safety and quality of service, applicants for PLB driving licences are required by law to complete a pre-service course with effect from 1 June 2015.

Taxis

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

In view of passenger demand, future developments and the projected growth of the local population and visitors on Lantau Island, the government invited open tenders for 25 new

Lantau taxi licences from December 2015. The new taxis are expected to be in operation in 2016, taking the total number of Lantau taxis to 75.

To improve the quality of taxi service, the Transport Department and the Quality Taxi Services Steering Committee continued to hold an annual Quality Taxi Drivers Commendation Scheme to give due recognition to good taxi drivers.

Private cars

At the year end, there were 521,852 licensed private cars, of which 50,322 were new vehicles registered during 2015.

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 the year end, there were 2,161,299 licensed drivers, 722,012 licensed private vehicles and 6,251 government vehicles. The licensed private vehicles comprised 47,759 motorcycles and motor tricycles, 521,852 private cars, 18,118 taxis, 12,881 public buses, 610 private buses, 4,344 public light buses, 3,066 private light buses, 70,431 light goods vehicles, 36,001 medium goods vehicles, 5,398 heavy goods vehicles and 1,552 special purpose vehicles. On average, 4,037 new learners' driving licences were issued per month.

Driver Improvement Scheme

The Road Traffic Ordinance and the Road Traffic (Driving-offence Points) Ordinance require that offenders who have been convicted of serious traffic offences and traffic offenders who have accumulated 10 Driving Offence Points within two years shall attend a driving improvement course provided by a designated driving school. The course is also open to eligible drivers. In 2015, about 21,700 persons attended the course, including about 20,600 who were required to take part on a mandatory basis. About 90 per cent of drivers who attended the course did not incur new driving-offence points within six months after the course.

Vehicle Examination

Vehicles are examined routinely to ensure they are safe, roadworthy and properly maintained. In 2015, 219,000 vehicles were examined at 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 23 designated car testing centres run by the private sector. These centres carried out 347,000 vehicle examinations.

All vehicles imported into Hong Kong must be examined to make sure they meet the statutory requirements before they can be registered and licensed. In 2015, 937 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 for free through the government's data.gov.hk portal. The websites and mobile applications of 'Hong Kong eTransport' and 'Hong Kong eRouting' can facilitate the public's search for public transport information and driving routes, and to obtain real-time traffic information anytime and anywhere. People who do not have mobile data services can access the functions provided by Hong Kong eTransport at eight Hong Kong eTransport Kiosks that were installed in November 2014 as a pilot in six locations, including the arrival hall of the airport's Terminal 1, the Hong Kong Convention and Exhibition Centre and public transport interchanges. Ten more kiosks are being installed at other suitable locations and will be ready by mid-2016.

As at the end of 2015, 687 CCTV cameras were installed at busy traffic spots across the territory to monitor traffic conditions. Snapshots from CCTV cameras at 180 strategic locations are available to the public online and on mobile devices, so that commuters can check the traffic conditions in advance in planning their trips.

A computerised Area Traffic Control system connected to traffic signal junctions in the urban areas and in new towns in Tsuen Wan, Kwai Tsing, Sha Tin, Tai Po, North District, Tuen Mun, Yuen Long and Tseung Kwan O enables better traffic control in response to changing road conditions. At the year end, 1,879 road junctions were operating with traffic signals, 1,821 of which were linked to the system. The remaining junctions will be linked to the system progressively. To save costs and to conserve the environment, light emitting diode traffic signals are adopted.

Traffic control and surveillance (TCS) facilities, such as CCTVs, variable message signs, variable speed limit signs and lane control signals, are provided in all tunnels, the Tsing Ma Control Area, Tsing Sha Control Area, Airport Road and Shenzhen Bay Bridge. CCTVs and variable message signs are also found on Kong Sham Western Highway, San Tin Highway, San Sham Road, Tsing Long Highway, Tuen Mun Road, West Kowloon Highway and Yuen Long Highway. TCS facilities are 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 are being installed at 40 signalised junctions. The number of signalised junctions with digital red light cameras in operation will be expanded to 195 in early 2016. There are 20 digital Speed Enforcement Camera units operating in 120 camera housings on a rotational basis. There are also five cameras operating in 33 camera housings on a rotational basis in the Tsing Ma Control Area and Tsing Sha Control Area. In addition, two portable speed enforcement cameras can be deployed flexibly at eight locations on a rotational basis in the Tsing Sha Control Area.

The 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 help motorists make informed route choices. In addition, five speed map panels are in operation in the New Territories, advising commuters on the traffic conditions and estimated journey times of different routes towards Kowloon.

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 system is scheduled to be launched 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 47.9 per cent of motorists used autotoll when driving through the tolled tunnels and tolled roads in 2015.

Parking

On-street parking is provided where there is demand and when traffic conditions permit. At the year end, Hong Kong had about 18,000 parking spaces with electronic parking meters in operation and 15,500 non-metered on-street parking spaces.

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

In addition to government car parks, off-street public parking is provided by the Airport Authority Hong Kong (AAHK) at the airport, the Housing Department and The Link Reit in some public housing estates, and by the private sector in multistorey commercial/residential buildings and open-air public car parks. In all, there are 193,500 off-street public parking spaces, excluding those in government car parks.

Park-and-ride facilities are operated by the MTRCL at Choi Hung Station on the Kwun Tong Line; Hong Kong, Kowloon and Tsing Yi stations on the Airport Express; Hung Hom Station on the East Rail Line and 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.

Road Safety

There were 16,170 road traffic accidents involving injuries in 2015, of which 2,510 were serious and 117 were fatal. This compares with 15,790 accidents in 2014, of which 2,508 were serious and 99 were fatal. The total number of fatal and serious road traffic accidents increased 0.8 per cent compared with 2014.

Pedestrian Transport

Hillside Escalator Links and Elevator Systems

The Central Mid-levels Escalator Link, the Fortress Hill Pedestrian Link and the Centre Street Escalator Link help pedestrians access the hilly terrain on Hong Kong Island. The government has been taking forward various new projects to provide escalator links and elevator systems to improve accessibility in hilly areas, with 11 projects under investigation and design, and two projects under construction.

The pedestrian link at Tsz Wan Shan is under construction. Six out of 15 work items have been completed and opened for public use, while seven of the 15 items are scheduled for completion by end-2016. The Yuet Wah Street pedestrian linkage was also substantially completed and was opened for public use in October 2015.

Improving the Pedestrian Environment

The government is taking forward pedestrian environment improvement schemes in Yuen Long. Under the Yuen Long Town Pedestrian Environment Improvement Scheme, all nine minor schemes, such as improvement of pedestrian crossings and widening of footpaths, have been completed. Detailed design of a proposed elevated pedestrian corridor along Yuen Long Town Nullah will soon start. Further investigations are under way for a proposed footbridge system in Mong Kok.

Universal Accessibility Programme

Where technically feasible, the government has been installing barrier-free access facilities, such as lifts or ramps, at public footbridges, elevated walkways and subways maintained by the Highways Department for years. Lifts or standard ramps will be retrofitted for existing public walkways that are not equipped with standard barrier-free access facilities and have no crossing facilities at the road level within about 100 metres. Out of the remaining 150 retrofitting works items, 25 items were completed as at end-December 2015.

A Universal Accessibility programme launched in August 2012 aims to further enhance barrier-free access facilities at public walkways maintained by the Highways Department. The government is taking forward lift retrofitting works for three public walkways in each of the 18 District Councils for priority implementation. Technical feasibility studies for the works have been largely completed. The detailed design for those items confirmed to be technically feasible and supported by the District Councils are under way. The retrofitting works concerned have started progressively.

Maritime transport

Domestic Ferries

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

At the year end, 14 franchised and licensed ferry operators were running 21 regular passenger ferry services and 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 kaito ferry services, which provide services to relatively remote areas. Ferries recorded a daily average of about 65,400 passenger trips within the harbour and about 68,600 passenger trips to and from the outlying islands.

Cross-Boundary Ferries

Cross-boundary ferry services to Macao and some 11 Mainland ports operate from the Hong Kong-Macao Ferry Terminal in Sheung Wan, the China Ferry Terminal in Tsim Sha Tsui and the Tuen Mun Ferry Terminal in Tuen Mun.

In 2015, 21.19 million travellers used cross-boundary ferry services to travel to and from Macao, while 4.55 million travelled to and from Mainland ports.

Local Vessels

In 2015, about 18,281 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, the market situation and passenger needs.

Concessions offered by the MTRCL include Monthly Passes for the 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, involving about 440 routes. 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 GMB routes run concessionary fare schemes.

Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

To encourage the elderly aged 65 or above and eligible persons with disabilities to participate more in community activities, the government has implemented a Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities in phases since June 2012, covering the major MTR lines, franchised buses, ferries and most GMB routes. Those eligible can travel on designated routes anytime at a fare of \$2 per trip. As at the end of 2015, the average daily number of passenger trips under the scheme was about 945,700.

The Port

In 2015, Hong Kong handled a total of 20.1 million Twenty-foot Equivalent Units of containers (TEUs), and was the fifth busiest port in the world. Some 376,040 vessels arrived and departed during the year, carrying 257 million tonnes of cargo and about 30.3 million cross-boundary ferry and cruise passengers.

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 80 ocean-going vessels and 430 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 (IMO).

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. Its 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 and 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, and ensure regular maintenance dredging of the harbour, navigation channels and major river channels. The department now maintains a gross area of 506 hectares of typhoon shelters, 5km of quays at public cargo working areas, 127km of seawalls and breakwaters, 318 piers and landing steps, 101 dolphin 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 2015, it continued with the planning and design of a new public landing facility at Lei Yue Mun and reconstruction of Sharp Island Pier, continued with the construction of two additional berths at Sai Kung Public Pier, and completed the construction of 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 about 78 per cent of Hong

Kong's container throughput, have 24 berths with a total handling capacity of more than 20 million TEUs per year.

To strengthen Hong Kong's position as an Asia-Pacific regional hub port, dredging works for the Kwai Tsing Container Basin and related fairways to a depth of 17.5 metres have been under way since August 2013. 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. These are open to cargo operators for loading and unloading cargo onto and from barges and coasters.

Cross-boundary Ferry Terminals

The department operates two cross-boundary ferry terminals. The Hong Kong-Macao Ferry Terminal, with 10 berths, operates round the clock. The China Ferry Terminal, with 12 berths, operates daily from 7am to midnight. The Tuen Mun Ferry Terminal, with three berths, operates daily from 7am to 10pm under a tenancy agreement between the terminal operator and the government. 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 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 Marine Department's Vessel Traffic Centre provides vessel traffic services (VTS) with a modern VTS surveillance system, and runs a Very High Frequency radio system covering all navigable waters in Hong Kong.

Harbour Patrol and Local Control Station

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

Its local traffic control station at Kwai Chung, equipped with a dedicated patrol launch, 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 in consultation with 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 provides Notices to Mariners for updating the charts once every two weeks, as well as 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 according to 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 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 IMO'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 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 department provides professional advice on the planning of projects that affect port and marine traffic, and issues Marine Department Notices on details of marine works. Maritime and port statistics on vessel movements and container throughput are published periodically on its website.

Strategic Planning

Further to the completion of a 'Study on the Strategic Development Plan for Hong Kong Port 2030' in 2014, the government consulted the trade on 'Proposals for Enhancing the Use of Port Back-up Land in Kwai Tsing' in 2015. Taking into account stakeholders' views, the government is taking forward a series of 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 undertakes long-term strategic planning for port facilities and provides 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 leaders and senior government officials, advises the government on port development strategies and facility planning to meet future demands. It also helps the government promote Hong Kong as a regional hub port and a leading world container port.

Maritime Industry

About 60 international shipping lines offer ocean liner services in Hong Kong, with about 340 sailings weekly connecting to around 470 destinations worldwide. In addition, more than 700 shipping-related companies operate in the territory, providing a great variety of quality maritime services, including ship agency, ship management, ship broking, maritime insurance, and legal and arbitration services. Hong Kong is also the leading international ship finance centre in Asia. Hong Kong's ship owners own or manage about 9 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 to Hong Kong-registered ships and ships calling at Hong Kong. Other international maritime service providers have 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 for shipping income with its trading partners. It has made such arrangements with 40 tax administrations.

Hong Kong Maritime Industry Council

The 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 helps the government promote Hong Kong's maritime services and its status as an international maritime centre through different forums. Council members visited Germany, Qingdao, Shanghai and Ningbo in 2015.

Maritime and Aviation Training Fund

The maritime and aviation sectors receive government support in manpower development via a \$100 million Maritime and Aviation Training Fund launched on 1 April 2014. The fund aims at building up a vibrant, diversified and competitive pool of professionals and technical personnel by supporting various scholarships, training and promotion initiatives. An internship network launched in 2014 was organised again in 2015, opening up some 315 maritime and aviation internship opportunities for young people. To provide students with overseas exposure and maritime knowledge, an overseas exchange sponsorship scheme was launched in 2015 in partnership with four local universities to support selected students to undertake maritime-related courses in overseas universities for one semester.

Hong Kong Shipping Register

In 2015, the total gross tonnage of ships registered on the Hong Kong Shipping Register (HKSR), administered by the Marine Department, rose to more than 102.29 million. In 2015, the HKSR ranked fourth in the world. To ensure ships on the register comply with international standards, the department conducts a Pre-registration Quality Control assessment on ships before they join the register and implements a Flag State Quality Control System. The Port State Control detention rate of Hong Kong-registered ships remained well below the world average, putting the Hong Kong flag among the top performance flags in the white list under the Tokyo Memorandum of Understanding (MoU) and Paris MoU of Port State Control. 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 investigates all serious ship accidents in Hong Kong waters. The purpose of an investigation is to determine the circumstances and possible causes of an accident and to recommend preventive measures against recurrences. In 2015, the branch investigated 24 serious accidents. To enhance 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 2015, 51,495 seafarers of different

nationalities served on board Hong Kong-registered seagoing ships and 1,326 officers and ratings served on high-speed ferries plying within the Pearl River Delta Region.

The Sea-going Training Incentive Scheme aims at attracting local graduates to join the maritime profession in Hong Kong by providing financial incentives for them to take up seagoing cadetship training. By December 2015, 385 cadets had joined the scheme since its launch 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 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 2015, HKSAR Government officials attended 16 IMO meetings. Topics discussed included enhancement of maritime safety and security, measures to reduce marine pollution, matters related to maritime laws, seafarers' training and certification of standards, and facilitation of international maritime traffic.

Port State Control

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

In 2015, the department conducted 697 initial PSC inspections on foreign ocean-going ships, or 14.22 per cent of all foreign ocean-going ships that visited Hong Kong. It detained about 7.03 per cent of the ships inspected because of serious deficiencies that needed immediate attention.

Maritime Search and Rescue

The department's Maritime Rescue Co-ordination Centre co-ordinates search and rescue operations within Hong Kong waters and for about 450,000 square nautical miles of international waters of the South China Sea. The centre 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 more than 800 vessels, serves 14 government departments. The Marine Department manages 75 vessels for its port operations and serves other government departments which do not have their own vessels. Its vessels include patrol launches, purpose-built conveyance launches, pontoons, hydrographic survey launches and explosives carriers. In 2015, the 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 2015, 43 new craft, costing \$14.7 million, were built for the government and eight new craft building contracts, worth \$9.3 million, were awarded to shipbuilders in Hong Kong. The total expenditure in maintaining the Government Dockyard systems and government fleet was close to \$484 million.

Air Transport

Hong Kong is a major international and regional aviation centre. At the year end, there were more than 100 airlines providing over 1,100 flights daily between Hong Kong and about 190 destinations worldwide.

Hong Kong International Airport

In 2015, 68.5 million passengers passed through the airport, a rise of 8.1 per cent over 2014. The airport handled 4.38 million tonnes of cargo, a rise of 0.1 per cent over 2014, and recorded 406,020 incoming and outgoing flights, a rise of 3.8 per cent over 2014.

The airport continues to provide extensive land and sea connections to the Pearl River Delta (PRD) region. In 2015, there were about 94 daily ferry trips between SkyPier and Guangzhou's Nansha and Lianhuashan, 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 around 280 in 2015.

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 became fully operational in 2015. On 28 December 2015, the Midfield Concourse and its ancillary facilities, which include 20 aircraft parking stands and an Automated People Mover link to Terminal 1, began operation. Upon full operation of the Midfield Concourse, the airport will be able to serve an additional 10 million passengers a year.

Future Development

To maintain Hong Kong's competitiveness as a global and regional aviation hub, the government affirmed the need for the Three-runway System (3RS) project in March 2015. The Airport Authority is taking forward the detailed design of the project, as well as the relevant statutory processes. It has also formulated a financial arrangement plan for funding the project. On the environmental front, the AAHK has embarked on the implementation of various

environmental measures as committed in the approved Environmental Impact Assessment report and in compliance with the Environmental Permit conditions, with a view to achieving 'conservation alongside development'. A high-level advisory committee, chaired by the Secretary for Transport and Housing, was also set up on 1 August 2015 to provide views and advice on major issues concerning the 3RS project, and to assist the government in monitoring the implementation of the 3RS project by the AAHK.

With 3RS in place, the airport's handling capacity will be increased from 420,000 air traffic movements per year to 620,000 per year. The added capacity at the airport will be able to cope with Hong Kong's long-term air traffic demand. The AAHK estimates the airport will handle about 100 million passengers and 9 million tonnes of cargo annually by 2030.

Recognition

The airport has been named the 'world's best airport' more than 60 times since it opened in 1998. It won the 'Asian Diamond Award' in the one-million-tonnes-or-more category of the Air Cargo Excellence Awards 2015 organised by industry magazine *Air Cargo World* and earned the distinction as the 'Best Airport – Asia' at the 2015 Asian Freight, Logistics & Supply Chain Awards organised by *Air Cargo News*. The airport was also inducted into the Travel Hall of Fame at the TTG Travel Awards 2015 and recognised as the 'Asia Pacific Airport of the Year – Industry Choice Award' by air cargo 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 64 such agreements. The government also reviews traffic rights arrangements with its aviation partners to expand Hong Kong's aviation network and to allow more competition in the market. In 2015, the government expanded traffic rights arrangements with 17 aviation partners. It also concluded negotiations and initialled new air services agreements with Spain, Malta and Serbia. The Air Transport Licensing Authority held a public inquiry to consider and eventually refused a licensing application by Jetstar Hong Kong Airways. It also granted variations to Hong Kong Airlines' licence and Cathay Pacific Airways' licence for the addition of new routes.

In 2015, Cathay Pacific Airways operated scheduled services to 75 destinations worldwide, while Hong Kong Dragon Airlines operated scheduled services to 45 destinations in Asia, including 20 cities on the Mainland. Air Hong Kong operated scheduled all-cargo services to 12 destinations in Asia. Hong Kong Airlines operated scheduled services to 38 destinations in Asia and one all-cargo services to Turkey. Hong Kong Express Airways, the only local low-cost carrier, operated scheduled services to 23 destinations in Asia. The fleet of all the local airlines totalled 257 aircraft during the year.

Seven non-Hong Kong airlines launched scheduled passenger services to Hong Kong in 2015: Jetstar Japan started services from Tokyo and Osaka in February; Etihad Airways started services from Abu Dhabi in April; Philippines AirAsia Inc started services from Manila in May; PT Lion Mentari Airlines operated services from Denpasar in July and August; Jetstar Pacific Airlines and

Scandinavian Airlines started services from Hanoi and Stockholm respectively in September; and Myanmar National Airlines started services from Yangon in December. As regards the scheduled all-cargo services of non-Hong Kong airlines, Sky Lease started services from Miami in July.

Air Traffic Management

In 2015, the Air Traffic Management system handled over 406,020 aircraft movements at the airport and more than 250,000 over-flights, including traffic to and from Macao, representing an increase of about 3 per cent and 8 per cent respectively compared with 2014. The Civil Aviation Department increased the runway capacity during the peak hours of 11 am and 4 pm from 66 to 68 flight movements per hour by further enhancing flight procedures and introducing reduced longitudinal separation standards on some routes. To manage the provision of safe, efficient and sustainable air traffic control (ATC) service to support projected air traffic growth, the department continued its ATC System Replacement Project. The new ATC system has undergone a series of thorough and stringent acceptance tests. The department is generally satisfied with the test results. The new ATC Centre will be ready for operation after completing training for ATC operational staff and an overall safety assessment according to established international aviation safety management standards and procedures.

Aviation Security

Conventions and agreements on aviation security, issued 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 the airport. The Civil Aviation Department monitors closely the implementation of these requirements to ensure international standards are met.

International Transport and Logistics

Logistics is an important sector of the economy, accounting for about 3.4 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, which are renowned international private terminal operators. 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 more than 20 million TEUs per year.

Logistics Industry

The government provides the necessary infrastructure and facilitation 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, a high-level advisory body chaired by the Secretary for Transport and Housing, provides a forum for government and industry stakeholders to formulate initiatives to spur the further development of the local logistics sector. Council members visited Seoul and Busan in November 2015 to promote Hong Kong as a premier logistics and shipping hub in the region.

In November 2015, the Fifth Asian Logistics and Maritime Conference, co-organised by the government and the Hong Kong Trade Development Council, attracted more than 2,000 industry professionals from 27 countries and regions to discuss and exchange views on key policy factors and changes in production and consumption patterns which were transforming the logistics, supply-chain management and maritime industries.

Websites

Airport Authority Hong Kong: www.hkairport.com

Civil Aviation Department: www.cad.gov.hk

Cross Boundary Ferry Services: crossboundaryferryervices.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