

Chapter 14

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.

The 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, Highways Department, Marine Department and 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 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 coordination and, together with the operators, the quality of public transport services; and
- managing road use to reduce congestion and promote safety.

The government ensures these objectives are environmentally sustainable by supporting environmental improvement measures, and bases its public infrastructure plans on sustainable development principles. The environmental impact of new transport projects, during both construction and operation, is monitored closely and mitigation measures are implemented where necessary.

Together with transport operators, the government also acts to reduce the adverse impact of road-based transport on the environment, including rationalising bus routes and deploying more environment-friendly buses.

The COVID-19 pandemic presented unprecedented challenges for public transport operators. Social distancing restrictions, school suspensions and work from home arrangements meant that passenger trips on public transport in 2021 were 15 per cent below the pre-COVID level in 2019. Various infection control measures were implemented, including mandatory mask-wearing on public transport and enhanced cleansing and disinfection. The government's Anti-epidemic Fund provided a range of subsidies to public transport operators, including for fuel, wages, repair and maintenance costs and insurance premiums.

Rail Transport

MTR

Railways are safe, reliable, efficient, comfortable and environment-friendly mass carriers. Hong Kong's railway system forms the backbone of the public transport system and is essential to the city's continued economic, social and land development. It carried a daily average of 4.3 million passengers in 2021, accounting for about 41 per cent of public transport passenger travel.

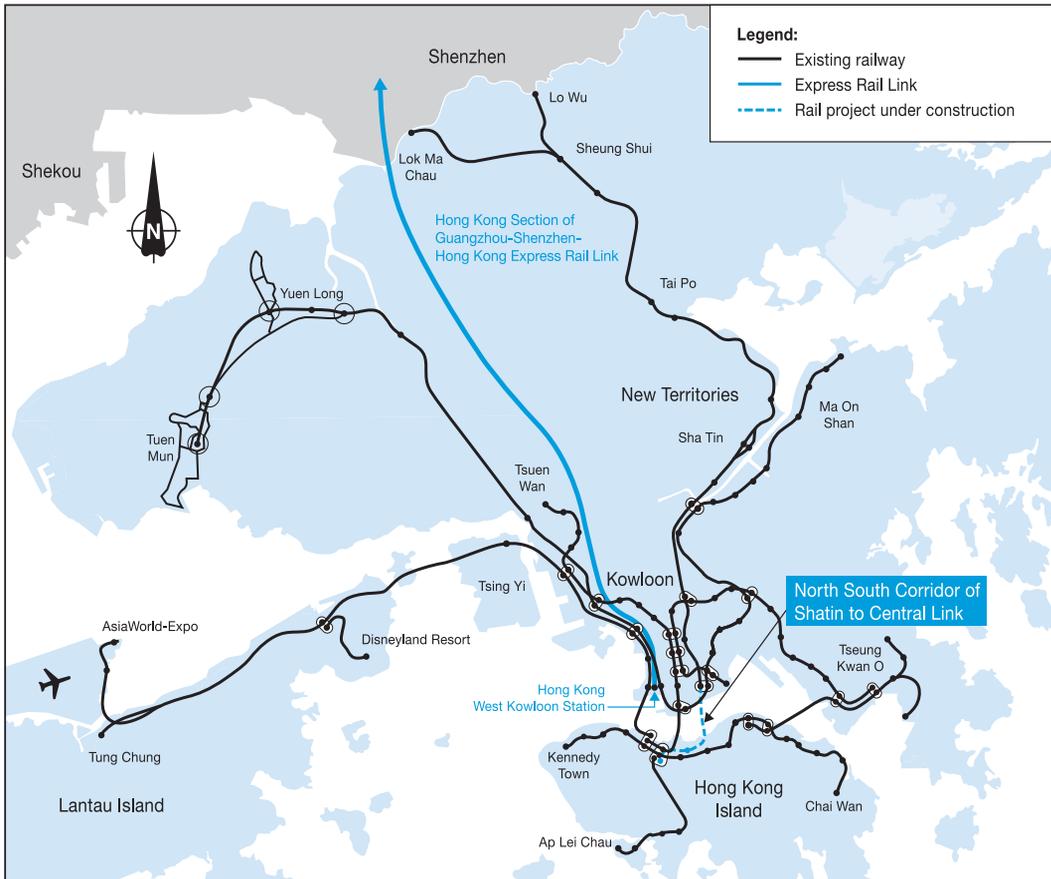
The railway system is operated and managed by the MTR Corporation Limited (MTRCL), a publicly listed company of which the government is the majority shareholder. It comprises:

- the Kwun Tong Line (Tiu Keng Leng-Whampoa)
- the Tsuen Wan Line (Tsuen Wan-Central)
- the Island Line (Chai Wan-Kennedy Town)
- the Tseung Kwan O Line (Po Lam/Lohas Park-North Point)
- the South Island Line (South Horizons-Admiralty)
- the Tung Chung Line (Hong Kong-Tung Chung)
- the Disneyland Resort Line (Sunny Bay-Disneyland Resort)
- the Airport Express (Hong Kong-AsiaWorld-Expo)
- the East Rail Line (Hung Hom-Lo Wu/Lok Ma Chau)
- the Tuen Ma Line (Tuen Mun-Wu Kai Sha)
- the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL)
- the Light Rail

The 266.3-kilometre system is made up of 98 heavy rail stations, including a 35.2km Airport Express connecting the urban areas to Hong Kong International Airport and AsiaWorld-Expo, and 68 light rail stops spread across a 36.2km network in the northwestern New Territories.

All three types of the MTRCL's cross-boundary train services have been impacted by COVID-19 since 2020. Intercity through-train services, which operate from Hong Kong's Hung Hom Station to Beijing, Shanghai and cities in Guangdong, were suspended from 30 January 2020, but carried a daily average of 3,500 passengers before that. The Hong Kong Section of the XRL was also suspended on the same day, but had carried a daily average of 36,300 passengers before that. It is a 26km long underground rail corridor running from West Kowloon to Shenzhen, where it connects to the Mainland section of the XRL. It provides direct high-speed rail travel between Hong Kong West Kowloon Station and 58 Mainland destinations (six short-haul and 52 long-haul). The Lo Wu and Lok Ma Chau stations, which are connected by the East Rail Line and allow travellers to reach the Shenzhen control points, were temporarily closed from 4 February 2020, but by then had together handled a daily average of 212,000 cross-boundary travellers.

Map of Railway Network and Railway Project under Construction



Future Railway Development

The 17km Shatin to Central Link will have 10 stations (from Tai Wai to Admiralty), and will link up a number of existing railways forming two railway corridors. The East West Corridor connects Tai Wai on the former Ma On Shan Line with Hung Hom on the former West Rail Line to form the Tuen Ma Line, which was fully commissioned on 27 June. The North South Corridor will extend the East Rail Line from Hung Hom across the harbour to Admiralty on Hong Kong Island. Construction of the Shatin to Central Link started in 2012. When fully completed, it is expected to handle about 1.1 million passenger trips per day and save an average of 75 million hours in travelling time per year over an operation period of 50 years. It will increase the railway capacity between Sha Tin and Hung Hom and Hong Kong Island, relieving the burden on existing rail lines in urban Kowloon and on Hong Kong Island.

The government's Railway Development Strategy 2014 provides a framework for planning the expansion of the railway network up to 2031. Seven projects are planned: the Northern Link, Hung Shui Kiu Station, Tung Chung Line Extension, Tuen Mun South Extension, East Kowloon Line, South Island Line (West), and North Island Line. The MTRCL is carrying out detailed planning and design for the Tung Chung Line Extension, Tuen Mun South Extension, Northern Link and Hung Shui Kiu Station projects.

The governments of Hong Kong and Shenzhen have established the Task Force for Hong Kong-Shenzhen Cooperation on Cross-Boundary Railway Infrastructure to jointly develop the 'Greater Bay Area on the Rail'. The task force has embarked on a study of the Hong Kong-Shenzhen Western Rail Link connecting Hung Shui Kiu and Qianhai. The government has also asked the MTRCL to investigate the feasibility and benefits of constructing the Northern Link Spur Line.

Tramway

Electric trams have been running on Hong Kong Island since 1904. Hong Kong Tramways runs six 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 round Happy Valley.

The company's 168 trams, including one sightseeing tram for tourists, one air-conditioned tram, three trams for private hire and three special maintenance trams, make up the world's largest fleet of double-decker trams in operation. The tramway recorded a daily average of about 131,000 passenger trips in 2021.

Road Transport

Road Network

The territory has 2,193km of roads, 1,429 road structures, 22 road tunnels (including three immersed-tube cross-harbour tunnels) and five major cable-supported bridges.

Tunnels

The government owns 19 road tunnels, all managed and operated by private companies under management contracts: the Eastern Harbour Crossing, and the Cross-Harbour, Lion Rock, Aberdeen, Kai Tak, Shing Mun, Tate's Cairn, Tseung Kwan O, Scenic Hill, Airport, Lung Shan,

Cheung Shan, Central-Wan Chai Bypass, Tuen Mun-Chek Lap Kok (TM-CLK), Cheung Tsing, Tai Wai, Sha Tin Heights, Eagle's Nest and Nam Wan tunnels. Of these, the Cheung Tsing, Central-Wan Chai Bypass, Lung Shan, Cheung Shan, Kai Tak, Nam Wan, Airport and TM-CLK tunnels, as well as the Scenic Hill Tunnel that forms part of the Hong Kong-Zhuhai-Macao Bridge (HZMB) Hong Kong Link Road, are toll-free.

Two other tunnels are operated by private companies under build-operate-transfer arrangements: the Western Harbour Crossing and Tai Lam Tunnel. The franchises of these tunnels will expire in 2023 and 2025 respectively.

There is also a private tunnel, which 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. The first two carry both road and rail traffic. Tsing Ma Bridge, with a main span of 1,377 metres, is one of the world's longest span suspension bridges.

The HZMB includes the Main Bridge, Hong Kong Port and Hong Kong Link Road.

The 9km TM-CLK Link connects Tuen Mun with the HZMB Hong Kong Port and North Lantau via a bridge and a subsea tunnel.

Tsing Ma Control Area

The Tsing Ma Control Area, a 21km expressway network, covers mainly Tsing Kwai Highway, Cheung Tsing Tunnel, and the Ting Kau, Tsing Ma and Kap Shui Mun bridges.

Tsing Sha Control Area

The Tsing Sha Control Area, a 13km expressway network, consists of Stonecutters Bridge, and the Nam Wan, Eagle's Nest, Sha Tin Heights and Tai Wai tunnels.

Road Boundary Crossings

There are five road-based boundary crossings between Hong Kong and the Mainland, opening daily for goods and passenger vehicles, at Lok Ma Chau, Man Kam To, Sha Tau Kok, Shenzhen Bay Port and the HZMB Hong Kong Port. Cross-boundary travellers can also use the HZMB to travel to and from Macao. From February 2020, COVID-19 resulted in suspension or reduced operating hours of passenger clearance services at these crossings. The cargo clearance facilities at the Heung Yuen Wai Boundary Control Point, the sixth road-based boundary crossing, opened in August 2020.

In 2021, the control points of Lok Ma Chau, Man Kam To, Sha Tau Kok, Shenzhen Bay Port, Heung Yuen Wai and HZMB Hong Kong Port respectively recorded on average 5,100, 2,200, 700, 6,900, 1,400 and 400 daily vehicle trips, while Shenzhen Bay Port and HZMB Hong Kong Port, where passenger clearance services have been maintaining, recorded average daily passenger trips of 2,300 and 300 respectively. As a result of the pandemic, the total number of cross-boundary

passengers travelling by land and sea decreased 93.1 per cent to 3,500 a day. Most travellers using the road-based control points take local public transport or cross-boundary shuttle buses, which carried an average of 2,100 and 300 passengers a day respectively.

Future Road Network Development

The Route 6 will provide an express link between Tseung Kwan O and Kowloon West. It comprises the Central Kowloon Route, the Tseung Kwan O-Lam Tin Tunnel (TKO-LTT), and the Trunk Road T2 and Cha Kwo Ling Tunnel. Upon full commissioning, targeted for 2026, it is expected to reduce the journey time in peak hours between Tseung Kwan O town centre and Yau Ma Tei Interchange from about 65 minutes to about 12 minutes.

The Central Kowloon Route is a 4.7km dual three-lane route with a 3.9km tunnel connecting West Kowloon to Kowloon Bay and the Kai Tak Development in East Kowloon, diverting traffic along the major east-west corridors in Kowloon to relieve traffic congestion and cope with future demand.

The 3.8km TKO-LTT will connect Tseung Kwan O with the Eastern Harbour Crossing and Kwun Tong. It will provide an additional connection between Tseung Kwan O and East Kowloon and ease the traffic load on the existing Tseung Kwan O Tunnel.

The Trunk Road T2 and Cha Kwo Ling Tunnel is a 3.4km dual two-lane trunk road with a 2.1km subsea tunnel passing under the seabed of Kwun Tong Typhoon Shelter, linking the Central Kowloon Route on the west and the TKO-LTT on the east.

The Cross Bay Link will connect the TKO-LTT with Area 86 of Tseung Kwan O. It is a 1.8km dual two-lane carriageway with a 1km marine viaduct across Junk Bay, providing alternative access to the southeastern part of Tseung Kwan O. Construction is scheduled to complete in 2022.

The sections of Hiram's Highway between Hiram's Villa and Marina Cove were widened to a dual two-lane carriageway and commissioned in February. Planning is under way to widen the section between Marina Cove and Sai Kung town centre.

The dual two-lane Tai Po Road between Sha Tin Plaza and Wo Che Estate is being widened to a dual three-lane carriageway. Construction is slated for completion in 2023.

The proposed Trunk Road T4 is a dual two-lane carriageway that will connect Sha Tin Road to Tsing Sha Highway and Shing Mun Tunnel Road, serving as a bypass to Tai Po Road (Sha Tin Section) to cater for long-term traffic flow in Sha Tin. Subject to completion of statutory procedures, construction is targeted to commence in 2023.

Works to widen the western section of Lin Ma Hang Road to a single two-lane carriageway between Ping Yuen River and Ping Che Road are scheduled for completion in 2023. Widening works for the eastern section, between Tsung Yuen Ha and Lin Ma Hang, are being reviewed.

Widening works for the section of Castle Peak Road-Castle Peak Bay between Kwun Tsing Road and Hoi Wing Road to a dual two-lane carriageway are under way. Construction is targeted for completion in 2024.

The proposed Tuen Mun Bypass is a dual two-lane carriageway that will connect the TM-CLK Tunnel and Tuen Mun Area 40 with Yuen Long Highway and Kong Sham Western Highway at Lam Tei East Interchange. It aims to reduce traffic in Tuen Mun and meet the demand arising from developments in Tuen Mun and the northwestern New Territories. The government is taking forward the investigation study for the bypass.

The eastern section of the proposed Fanling Bypass, scheduled for completion in 2025, will be a dual two-lane carriageway of about 4km, connecting the Fanling North new development area to Fanling Highway. The detailed design of the western section of the bypass is in progress.

The government is carrying out an investigation study of Route 11 (section between Yuen Long and North Lantau) to meet traffic demand to and from urban areas arising from developments in the northwestern New Territories.

Buses

Franchised Buses

Franchised buses are the largest road-based carriers, accounting for 33 per cent of total daily public transport volume. Bus services in Kowloon and the New Territories are mainly provided by the Kowloon Motor Bus Company (1933) (KMB). At the year end, KMB was operating 429 bus routes, including 68 cross-harbour routes, 52 of which were operated jointly with another operator. KMB had a licensed fleet of 4,001 buses, all of which were wheelchair-accessible low-floor vehicles. It recorded an average of 2.44 million passenger trips per day in 2021.

Bus services on Hong Kong Island are provided mainly by New World First Bus Services (NWFB) and Citybus (CTB). At the year end, NWFB was operating 94 bus routes, including 33 cross-harbour routes, 28 of which were operated jointly with another operator. NWFB had a licensed fleet of 688 buses, all of which were wheelchair-accessible low-floor vehicles. It recorded a daily average of 401,500 passenger trips in 2021.

CTB operates two bus networks under two franchises. One covers 57 bus routes on Hong Kong Island, Kowloon and the New Territories, plus 39 cross-harbour routes, 24 of which are operated jointly with another operator. The other franchise covers a network of 30 routes linking the urban areas with North Lantau and the airport. At the year end, CTB had a licensed fleet of 959 buses, all of which were wheelchair-accessible low-floor vehicles. It recorded 476,700 passenger trips on average per day in 2021.

Bus routes connecting the New Territories with North Lantau and the airport are run mainly by Long Win Bus Company. It was operating 39 routes at the year end with a licensed fleet of 257, all of which were wheelchair-accessible low-floor buses. The company recorded an average of 79,200 passenger trips a day in 2021.

The New Lantao Bus Company (1973) was operating 26 routes on Lantau Island and one route for Shenzhen Bay Port at the year end. It had a licensed fleet of 135 buses, of which 82 were wheelchair-accessible low-floor vehicles. There were 71,900 passenger trips on average daily in 2021.

The government works with these bus operators to enhance and rationalise their services, so as to improve network efficiency and service quality, alleviate traffic congestion and improve roadside air quality.

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 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 6,982 registered non-franchised public buses.

Public Light Buses

The number of public light buses has been capped at 4,350 since 1976. These vehicles handled 1.48 million passenger trips per day in 2021.

There are two types of public light buses: 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, 3,334 GMBs were operating 361 routes, recording a daily average of 1,271,900 passenger trips. RMBs are not required to operate on fixed routes or timetables and may set their own fares but have limited operating areas. There were 1,015 RMBs in operation at the year end, recording a daily average of 209,200 passenger trips.

Taxis

At the year end, there were 15,250 red urban taxis, 2,838 green New Territories taxis and 75 blue Lantau taxis. These carried about 762,600 passengers per day in 2021. There were about 790 taxi stands and designated taxi pick-up/drop-off points.

Private Cars

At the year end, there were 581,012 licensed private cars, of which 39,309 were new vehicles first registered during 2021.

Road Transport Management

Effective transport management is essential for the safe and orderly operation of the transport system. Modern technology is applied in a variety of ways to enhance transport management.

Licensing

At the year end, there were 2,329,354 licensed drivers, 811,186 licensed private vehicles and 6,688 government vehicles. The licensed private vehicles comprised 71,897 motorcycles and motor tricycles, 581,012 private cars, 18,061 taxis, 12,365 public buses, 778 private buses, 4,228 public light buses, 3,471 private light buses, 75,568 light goods vehicles, 34,992 medium goods vehicles, 6,883 heavy goods vehicles and 1,931 special purpose vehicles. On average, 4,406 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 or who have accumulated 10 driving-offence points within two years to attend a driving improvement course. In 2021, about 22,200 people attended the course, about 20,800 of whom on a mandatory basis. In the first six months of 2021, about 85 per cent of course participants did not incur new driving-offence points within six months of completing the course.

To further improve the effectiveness of the driving improvement course, the Transport Department launched a new programme in December, which not only covers safe driving techniques and measures to prevent traffic accidents, but also provides more scenario-based learning and case studies to enhance participants' awareness on road safety.

Pre-service Courses Requirements for Commercial Vehicles

In addition to passing the relevant driving test, applicants for a taxi, public light bus or public bus full driving licence must complete the relevant pre-service course within a year prior to applying for the licence. In 2021, about 4,825, 1,943 and 1,392 people completed pre-service courses for taxi, public light bus and public bus drivers respectively.

Vehicle Examination

Vehicles are examined routinely to ensure they are safe, roadworthy and properly maintained. In 2021, government vehicle examination centres conducted about 220,000 examinations for commercial vehicles, and the Transport Department conducted about 3,500 spot checks on franchised buses.

Private cars over six years old and light goods vehicles not exceeding 1.9 tonnes are inspected annually at 40 designated car testing centres run by the private sector, which performed about 380,000 vehicle examinations in the year.

All imported vehicles must be examined to ensure the statutory requirements are met before they can be registered and licensed. About 1,400 vehicle types were approved in 2021.

Intelligent Transport Systems

The Intelligent Transport Systems help disseminate real-time traffic and transport information to the public, and assist in traffic management and incident handling. The information is available through the Transport Department's HKeMobility mobile application and website, as well as the government's public sector information portal, data.gov.hk.

The department publishes an annual open data plan on its website which lists the datasets available for download, including traffic snapshots, traffic volume, traffic speed, estimated journey times of cross-harbour routes and major routes, traffic speed maps, special traffic news, monthly traffic and transport digest, road traffic accident statistics, parking vacancy data and real-time arrival data of green minibus and franchised bus services.

Visitors and others without mobile data services may make use of 17 Traveller Information Kiosks at 15 locations, including the arrival hall of the airport's Terminal 1 and public transport interchanges.

The computerised Area Traffic Control system responds to changing road conditions and enables a series of green signals that allow vehicles to pass through successive road junctions with minimum stops and delays, thus achieving smooth traffic flow. By the year end, it was linked to 1,938 out of 1,961 road junctions operating with traffic signals, and will be connected to the remaining junctions progressively. It adopts light-emitting diode traffic signals to protect the environment.

Traffic control and surveillance facilities, such as vehicle detectors, closed-circuit television cameras, variable message signs, variable speed limit signs and lane control signals, are provided on trunk highways and in all tunnels and the respective approach roads, the HZMB Hong Kong Link Road, the Tsing Ma and Tsing Sha control areas, Airport Road, Shenzhen Bay Bridge and Tolo Highway, and are being installed on major highways under construction or reconstruction. About 1,200 traffic detectors have been installed on strategic routes and major roads, and a Journey Time Indication System with eight sets of indicators has been in operation since 2020. The Traffic and Incident Management System further supports the management of traffic and transport incidents and the dissemination of information.

To combat red-light jumping and speeding, fixed digital red-light cameras are in operation at 210 signalised junctions, and 59 digital speed enforcement cameras are deployed on a rotational basis in 217 fixed camera housings.

Electronic Toll Collection

Except for the private tunnel serving Discovery Bay, all tolled tunnels 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. During the year, 51.6 per cent of motorists used autotoll.

The 'stop-and-go' electronic payment service lets motorists pay tolls with Octopus cards and certain contactless credit cards. As at end-2021, the service was provided at the Eastern Harbour Crossing and the Cross-Harbour, Shing Mun, Aberdeen, Lion Rock, Tseung Kwan O and Eagle's Nest-Sha Tin Heights-Tai Wai tunnels.

Parking

Where there is demand and traffic conditions permit, on-street parking is provided to meet the short-term parking needs of motorists. As at the year end, there were about 18,000 on-street metered parking spaces and about 17,300 non-metered on-street parking spaces.

The Transport Department owns 10 multistorey public car parks and an open-air public car park, and engages private operators to run them. These car parks provide about 4,000 public parking spaces for private cars. In addition, about 199,200 off-street public parking spaces are provided by the Airport Authority Hong Kong, the Housing Department, the Link Reit and other public and private bodies.

There are 24 park-and-ride facilities. Eight are operated by the MTRCL at car parks in MTR stations, 15 by private operators at commercial car parks located at or near MTR stations, and one by the Housing Department at a public car park.

To help motorists find parking spaces, the parking vacancy information of over 500 government and non-government public car parks was available on the HKeMobility mobile application and website as at end-2021.

Road Safety

There were 17,831 road traffic accidents involving injuries in 2021, of which 1,824 were serious and 94 were fatal. The total number of fatal and serious road traffic accidents decreased 4.5 per cent compared with 2020.

Pedestrian Transport

Improving the Pedestrian Environment

The Highways Department is reviewing proposed pedestrian environment improvement schemes in Mong Kok and Causeway Bay and a proposed elevated pedestrian corridor connecting with Long Ping Station in Yuen Long Town, taking into account the latest developments in the areas.

In 2021, the Transport Department continued to improve Hong Kong's pedestrian environment. This included enhancing the pedestrian connectivity between Wan Chai and Sheung Wan, collaborating with relevant departments to apply the new pedestrian planning framework in suitable new development areas, implementing pedestrian enhancement measures in Central and Sham Shui Po, synchronising traffic lights at 18 staggered pedestrian crossings, and constructing covers for suitable walkways connecting public hospitals and other selected covered walkway projects.

Hillside Escalator Links and Elevator Systems

A new lift and pedestrian walkway system was opened at Hing Shing Road in Kwai Tsing in June. Three similar lift and pedestrian walkway projects are under construction in Kwai Chung and North Point: between Tai Wo Hau Road and Wo Tong Tsui Street; between Castle Peak Road and Kung Yip Street; and between MTR Fortress Hill Station and the uphill area in the vicinity of Braemar Hill. They are scheduled for completion progressively from 2022 onwards.

Universal Accessibility

Where technically feasible, barrier-free access facilities such as lifts and ramps may be installed at footbridges, elevated walkways and subways that span public roads. The Highways Department installed 10 such facilities during the year.

A special scheme has been launched under the Universal Accessibility Programme to retrofit lifts at walkways in or connecting to the common areas of Tenants Purchase Scheme estates, public rental housing estates with properties divested and Buy or Rent Option Scheme estates under the Hong Kong Housing Authority. A total of 35 items were selected by the relevant district councils as priority items for implementation.

Maritime Transport

Domestic Ferries

Ferries provide essential transport links to outlying islands where no or limited land transport is available, as well as an alternative transport service between the inner harbour and other areas in Hong Kong.

Eleven franchised and licensed ferry operators run 22 regular passenger ferry services, two services for dangerous goods vehicles, and two special services for the harbour, outlying islands and other areas. These are supplemented by about 70 'kaito' ferry services, which cover relatively remote areas. A 'water taxi' service was introduced to Victoria Harbour in July. Ferries recorded a daily average of about 35,700 passenger trips within the harbour and about 61,600 passenger trips serving the outlying islands in 2021.

Cross-boundary Ferries

Cross-boundary ferry services to Macao and 11 Mainland ports operate from the Hong Kong-Macao Ferry Terminal in Sheung Wan, China Ferry Terminal in Tsim Sha Tsui and Tuen Mun Ferry Terminal in Tuen Mun. Due to COVID-19, the cross-boundary ferry services have been suspended since February 2020. The Tuen Mun Ferry Terminal ceased its cross-boundary ferry services from June 2021, pursuant to the operator's termination of the tenancy agreement.

Local Vessels

In 2021, about 20,400 passenger, cargo, fishing and pleasure vessels were licensed in Hong Kong to provide services for the port and the community.

Public Transport Fare Concessions

The government encourages public transport operators to offer fare concessions, taking into account their operating and financial conditions, the market situation and passenger needs.

MTR concessions include monthly passes for the East Rail, Tuen Ma and Tung Chung lines, a Student Travel Scheme, fare concessions for children, Fare Savers 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 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 green minibus routes grant concessionary fares.

Government's Fare Concessions and Subsidies

Under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the \$2 scheme), those aged 65 or above and eligible disabled persons

who use designated Octopus cards pay only \$2 per trip on general MTR lines¹, franchised bus routes², ferry routes³ and green minibus routes. In 2021, an average of about 1.41 million passenger trips were made under the scheme each day. From February 2022, the eligible age of the \$2 scheme will be lowered from 65 to 60, benefiting an additional 600,000 persons⁴, and the scheme will be extended to cover red minibuses, 'kaitos' and tramways.

To allow more commuters to benefit from the Public Transport Fare Subsidy Scheme during the epidemic, the government implemented a special measure to temporarily lower the threshold for the subsidy from \$400 to \$200 of monthly public transport expenses from 1 July 2020 to 31 December 2021. From 1 April to 31 December 2021, the monthly subsidy cap was also temporarily increased from \$400 to \$500. In 2021, the annual subsidy amount under the scheme was over \$3.7 billion, representing a monthly average subsidy amount of about \$309 million, with an average of about 3 million beneficiaries per month.

The Port

Hong Kong is an international maritime centre and a regional hub port. During the year, 62,000 ocean-going vessels from all parts of the world and river-trade vessels from the Pearl River visited Hong Kong. The port cargo throughput was around 214 million tonnes and there were 357,000 cross-boundary ferry and cruise passenger journeys. Many high-speed ferries and local vessels operate in, or pass through, the harbour. Hong Kong is also one of the world's busiest container ports, handling nearly 18 million twenty-foot equivalent units (TEUs) of containers in 2021.

Port Administration

The Marine Department administers the port, with its principal task to ensure the 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 aids to navigation and mooring buoys, and strict enforcement of the rules and standards of major international maritime conventions.

The department liaises closely with shipping and commercial organisations and takes advice on port administration from users and operators of port facilities through a number of advisory and consultative committees.

The department's website provides information on the port, the shipping register and its services and facilities. Its Electronic Business System simplifies and speeds up the processing of port formalities and applications, including submission, payment, self-printing of permits and checking of application status.

¹ General MTR lines refer to domestic services including the Light Rail and MTR buses in the northwestern New Territories, and excluding the Airport Express, East Rail Line services between Lo Wu, Lok Ma Chau and Racecourse stations, and the first-class service of the East Rail Line.

² Excluding 'A' and 'NA' routes to the airport, racecourse routes, and routes operating on a booking basis.

³ Excluding deluxe class services.

⁴ Eligible beneficiaries must use a JoyYou Card, a personalised Octopus card tailor-made for the \$2 scheme with their name and photo, to enjoy the concessionary fare.

Port Infrastructure, Facilities and Services

Marine civil works are essential to keep the port running smoothly. The Civil Engineering and Development Department carries out maintenance work on public landing facilities, ferry piers and terminals, Kai Tak Cruise Terminal, breakwaters and other public marine facilities, and regular maintenance dredging of the harbour, navigation channels and major river channels. It maintains about 500 hectares of typhoon shelters, 130km of seawalls and breakwaters, 320 piers and landing facilities, 100 dolphin mooring structures, 110 beacons, 5km of quays at public cargo working areas, 14,100 hectares of fairways and 3,590 hectares of anchorage areas.

The department also plans, designs and builds public marine facilities. In 2021, it began the reconstruction of Kau Sai Village Pier in Sai Kung and Lai Chi Chong Pier in Tai Po, and continued the reconstruction of Pak Kok Pier on Lamma Island and the construction of a public landing facility at Lei Yue Mun. Technical studies and detailed design for pier improvement works at remote public piers in the New Territories and outlying islands were under way.

Container handling facilities are a key part of the logistics infrastructure. The nine container terminals at the Kwai Chung-Tsing Yi area, all privately run, handle about 82 per cent of Hong Kong's container throughput and have 24 berths with a total handling capacity of around 20 million TEUs per year. In addition, the Marine Department manages six public cargo working areas with a total berth length of 4,828m, providing an alternative for operators handling cargo carried by barges and coasters.

The Kwai Tsing Container Basin and its approach channel have a navigation depth of 17m. This enables ultra-large container ships to use the port at all tides, strengthening Hong Kong's position as an Asia-Pacific regional port.

Cross-boundary Ferry Terminals

The Marine Department operates two cross-boundary ferry terminals, the Hong Kong-Macau Ferry Terminal, operating round the clock, and the China Ferry Terminal, operating daily from 7am to midnight. The Tuen Mun Ferry Terminal operated daily from 7am to 10pm under a tenancy agreement between the government and the terminal operator. The tenancy agreement was terminated in June. The department controls the use of these ferry terminals under the Shipping and Port Control (Ferry Terminals) Regulations.

Vessel Traffic Services

The department's Vessel Traffic Centre facilitates the traffic of visiting vessels to ensure their safety and expeditious movement.

Harbour Patrol and Local Control Station

The department's Harbour Patrol Section operates 29 patrol launches to enforce marine legislation, maintain safety of the port and shipping, and respond to marine emergencies. Its local traffic control station in Kwai Chung provides information and traffic management services to vessels in the vicinity of the Kwai Tsing container port area.

Pilotage

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

Hydrographic Services

The Hydrographic Office carries out hydrographic surveys and produces nautical charts, electronic navigational charts and other publications to help vessels navigate in Hong Kong waters. It provides Notices to Mariners for updating the charts once every two weeks and, through the internet, real-time information about tides, forecasts about tidal streams and predictions about the Ma Wan Fairway transit tidal window.

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.

Carriage of Dangerous Goods

The department conducts random shipboard inspections of vessels in Hong Kong waters according to international and local standards.

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.

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 department implements the code, including monitoring the training and qualifications of the port facilities' security personnel, overseeing security drills and exercises conducted at the port facilities and carrying out annual audits of port facility security arrangements.

Marine Industrial Safety

The department's Marine Industrial Safety Section 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 the Merchant Shipping (Local Vessels) (Works) Regulation. It conducts safety checks on such works and promotes safe working practices and regulations.

Port Development

The department provides professional advice on the planning of projects that affect port and marine traffic, and publishes port and maritime statistics periodically on its website. The government looks at ways of enhancing port performance and operational efficiency, such as facilitating the use of port back-up land.

Maritime Industry

The port of Hong Kong offers frequent and comprehensive ocean liner services, with about 270 international container vessel sailings weekly, connecting to nearly 600 destinations worldwide, according to *Shipping Gazette* 2021 data. Nearly 900 shipping-related companies operate in the territory, providing quality services such as ship management, ship broking and chartering, marine insurance and maritime legal and arbitration services. Hong Kong is also a ship finance centre in the region. According to the Hong Kong Shipowners Association, Hong Kong's shipowners own or manage 10 per cent of the world's merchant fleet in terms of deadweight tonnage. As at the year end, Hong Kong had in place double taxation relief arrangements covering shipping income with 51 tax jurisdictions. To foster the development of high value-added maritime services, tax concessions are offered to ship leasing and marine insurance businesses.

Hong Kong Maritime and Port Board

The Hong Kong Maritime and Port Board is a high-level advisory body chaired by the Secretary for Transport and Housing and comprises maritime and port industry figures. It aims to create a maritime business-friendly environment, nurture local maritime talent and promote Hong Kong's strengths in the industry, so as to enhance the territory's position as an international maritime centre.

The board held the fifth Hong Kong Maritime Week from 31 October to 6 November to promote Hong Kong as a preferred base for maritime businesses and raise public awareness of the economic significance of the port and maritime sectors. A physical and online attendance of around 18,000 was recorded.

Maritime and Aviation Training Fund

The maritime and aviation sectors receive government support in manpower development via the Maritime and Aviation Training Fund with an accumulative commitment of \$300 million. This fund supports scholarships and training and promotion initiatives to build up a diversified and competitive pool of professionals and technical personnel. In September, the Maritime Training Support Scheme was launched to assist the Hong Kong Sea School to introduce a new school-based Maritime Studies curriculum, which aims to train students as local coxswains to meet their career development needs and to provide a steady and sustainable supply of new blood to the local vessel trade. Since its inception in 2014, the fund has benefited more than 13,000 students and people working in the maritime and aviation sectors through 16 schemes.

Hong Kong Shipping Register

The Hong Kong Shipping Register, administered by the Marine Department, ranked fourth in the world in 2021 in terms of gross tonnage. As at end-December, the registered ships recorded over 131 million gross tonnage in total. To ensure the Hong Kong-registered ships' compliance with international standards, the department conducts a quality control assessment before allowing ships to join the register and implements a Flag State Quality Control System. The Port State Control detention rate of Hong Kong-registered ships is 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. Hong Kong also holds the United States Coast Guard's Qualship 21 status. To widen the register's service network, provide direct support for shipowners and promote the register, four more regional desks, in addition to those established in Shanghai, London and Singapore, were set up in Sydney, San Francisco, Tokyo and Toronto in 2021.

Marine Accident Investigations

The department's Marine Accident Investigation Branch investigates all serious accidents on board Hong Kong-registered ships and ships 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. In 2021, the branch investigated 20 serious accidents. To raise awareness of maritime safety, the investigation reports of all serious accidents are published on the department's website.

Seafarers

The department's Seafarers and Examination Branch supervises the registration, employment, competence, discipline, health, safety and welfare of Hong Kong seafarers and seafarers working on board Hong Kong-registered ships. During the year, 55,634 seafarers of different nationalities served on board Hong Kong-registered seagoing ships and 352 officers and ratings served on high-speed ferries plying the Pearl River Delta region.

The Sea-going Training Incentive Scheme encourages young people to join the maritime profession in Hong Kong by providing financial incentives to take up seagoing cadetship training. In 2021, the scheme signed up 41 cadets.

Participation in International Maritime Activities

International Maritime Organisation

The Hong Kong Special Administrative Region (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 informed of, all issues discussed at IMO meetings that may affect Hong Kong. These topics include maritime safety and security, marine pollution, maritime laws, seafarers' training and standards of certification. HKSAR Government officials attended 23 IMO meetings in 2021.

Port State Control

Hong Kong is a member of the MoU on Port State Control in the Asia-Pacific. The Marine Department leads an Advisory Group for Technical Cooperation Programmes and is also a member of other working groups. In 2021, the department conducted 261 initial Port State Control inspections for about 8 per cent of all foreign ocean-going ships which visited Hong Kong. The detention rate was 3.4 per cent.

Maritime Search and Rescue

The Maritime Rescue Coordination Centre acts on distress alerts and coordinates search and rescue operations within Hong Kong waters and for about 450,000 square nautical miles of international waters of the South China Sea.

Government Fleet and Dockyard

A fleet of more than 1,000 government vessels serves 14 government departments. The Marine Department manages 82 of these vessels to serve its port operations and the needs of other government departments. These vessels include patrol launches, purpose-built conveyance launches, pontoons, hydrographic survey launches and explosives carriers. In 2021, the department also contracted 32 vessels, including conveyance launches and tugboats.

The Government Dockyard, managed by the department's Government Fleet Division, is responsible for the design, repair and maintenance of all government vessels. It occupies a 9.8-hectare site on Stonecutters Island and has an 8.3-hectare sheltered water basin to moor vessels. There are 10 covered docking sheds, four movable canopies, 30 open-yard docking cradle spaces, a shiplift system and three ship-hoists capable of dry-docking vessels of up to 750 tonnes.

During the year, 141 new craft costing \$45 million were built and delivered to the government. Ten new craft building contracts, involving 151 new craft worth \$448 million, were awarded to shipbuilders. Currently, 31 new craft costing \$687 million are under construction. The expenditure in maintaining the Government Dockyard facilities and government fleet was close to \$665 million.

Air Transport

Hong Kong is a major international and regional aviation centre. Prior to the pandemic, around 120 airlines operated direct services between Hong Kong and over 220 destinations worldwide.

Hong Kong International Airport

In 2021, air travel continued to be impacted by COVID-19 as travel restrictions and quarantine measures remained in place worldwide. During the year, Hong Kong International Airport (HKIA) handled 1.4 million passengers and 144,815 flights, a drop of 84.7 per cent and 9.9 per cent respectively compared with 2020. However, air cargo operations remained resilient. HKIA recorded a cargo throughput of 5 million tonnes, a year-on-year increase of 12.5 per cent, while freighter movements surged 19.8 per cent to 82,935.

In response to the pandemic, an array of infection control measures was taken at HKIA to protect the health of passengers and staff. Airport Authority Hong Kong (AAHK) stepped up cleaning and disinfection at the airport and deployed smart technology for such purposes. It also supported the government's quarantine and related procedures for arrival passengers. To support the hard-hit aviation sector during the pandemic, the government and AAHK jointly provided several rounds of relief measures to the airport community.

HKIA's major development and infrastructure projects continued as planned, including the Three-runway System, development of Skycity, upgrading of various airport facilities, and the Sky Bridge to connect Terminal 1 and North Satellite Concourse.

Future Development

To maintain Hong Kong's competitiveness as a global and regional aviation hub, AAHK is undertaking a Three-runway System project for commissioning in 2024. This includes the

formation of some 650 hectares of reclaimed land, and the construction of the third runway, taxiways and aprons, the Terminal 2 Concourse, a new automated people mover system, a new high-speed baggage handling system, an expanded Terminal 2, and associated support infrastructure.

With its expansion, HKIA will be able to handle the anticipated air traffic demand of over 120 million passengers and 10 million tonnes of cargo annually from 2035 onwards.

Air Services

Under the Basic Law, 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. There are 67 such agreements. The government also reviews traffic rights and air services arrangements with its aviation partners to expand the territory's aviation network and allow more competition in the market. In 2021, the government reviewed or expanded air services arrangements with Russia, Luxembourg and Mongolia. Hong Kong has concluded air services agreements or international air transit arrangements with around 50 of the more than 140 countries along the Belt and Road.

The pandemic continued to pose immense challenges to the global aviation industry in 2021 and air services in Hong Kong were not spared. The number of destinations served by local airlines slightly increased in 2021 compared with 2020. As at the year end, Cathay Pacific Airways Limited, Hong Kong Airlines Limited and Hong Kong Express Airways Limited operated direct services to 74, 16 and six destinations worldwide respectively. AHK Air Hong Kong Limited and Hong Kong Air Cargo Carrier Limited operated direct all-cargo services to 15 and 16 destinations respectively. By the year end, the local airlines maintained a total fleet of 262 aircraft.

In October, the Civil Aviation Department issued an Air Operator's Certificate to Greater Bay Airlines. Four non-Hong Kong airlines launched scheduled cargo services to Hong Kong in 2021: Thai AirAsia X Company Limited started services from Bangkok in January; Wind Rose Aviation Company began services from Kiev in March; DHL Aviation (EEMEA) B.S.C.(c) commenced services from Bahrain in September; and Titan Airways Limited launched services from London in October.

Air Traffic Management

The Civil Aviation Department's Air Traffic Management System provides safe and reliable air traffic control services to flights operating within the Hong Kong Flight Information Region. Because of COVID-19, the number of aircraft movements handled in 2021 was 15 per cent lower than in 2020.

Aviation Security

Conventions and agreements on aviation security, promulgated by the International Civil Aviation Organisation, are implemented by the government through the Aviation Security Ordinance. The Hong Kong Aviation Security Programme stipulates the aviation security requirements for operators and service providers at the airport. The Civil Aviation Department monitors the implementation of these requirements to ensure international standards are met. Hong Kong rolled out 100 per cent security screening for export air cargo on 1 July as

scheduled to meet the International Civil Aviation Organisation's policy direction on enhancement of air cargo security. It enhanced Hong Kong's status as one of the most secure air cargo hubs in the world.

International Transport and Logistics

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

Hong Kong is home to productive and efficient container terminals, which are run by renowned international 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 around 20 million TEUs per year.

Logistics Industry

The government provides the necessary infrastructure for Hong Kong's logistics sector to grow. The Pilot Subsidy Scheme for Third-party Logistics Service Providers encourages the logistics sector to adopt technology to enhance efficiency and productivity. The government also promotes closer cooperation with the Mainland, in particular the Pearl River Delta region, to achieve synergy in logistics development.

The Hong Kong Logistics Development Council is a high-level advisory body chaired by the Secretary for Transport and Housing, providing a forum for the government and industry stakeholders to formulate initiatives to spur the development of the local logistics sector.

Websites

Airport Authority Hong Kong: www.hkairport.com

Civil Aviation Department: www.cad.gov.hk

Cross-boundary ferry services: crossboundaryferryservices.mardep.gov.hk

Highways Department: www.hyd.gov.hk

Hong Kong Logistics Development Council: www.logisticshk.gov.hk

Hong Kong Maritime and Port Board: www.hkmpb.gov.hk

Hydrographic Office: www.hydro.gov.hk

Marine Department: www.mardep.gov.hk

Public sector information portal: data.gov.hk

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

Transport Department: www.td.gov.hk