Task Force on Water-land Interface Twelfth Meeting

Date: 22 February 2016 (Monday)

Time : 2:30 p.m.

Venue: 15/F Conference Room, North Point Government Offices,

333 Java Road, North Point

Minutes of Twelfth Meeting

Present

Mr LEUNG Kong-yui Chairman

Organization Members

Mrs Margaret BROOKE Representing Business Environment Council Dr NG Cho-nam Representing Conservancy Association

Mrs Karen BARRETTO Representing Friends of the Earth

Mr Franklin YU Representing Hong Kong Institute of

Architects

Prof TANG Bo-sin Representing Hong Kong Institute of

Planners

Sr Lesly LAM Representing Hong Kong Institute of

Surveyors

Mr TAM Po-yiu Representing Hong Kong Institute of Urban

Design

Mr Shuki LEUNG Representing Real Estate Developers

Association of Hong Kong

Individual Member

Mr Vincent NG Individual Member
Captain CHEUNG Tai-kee Co-opted Member
Mr Karl KWOK Chi-leung Co-opted Member
Mr WONG Yiu-kan Co-opted Member

Official Members

Mr Thomas CHAN Deputy Secretary (Planning and Lands)1,

Development Bureau (DEVB)

Mr Edward LEUNG Senior Manager (Tourism)2, Tourism

Commission (TC)

Ms Stella LEE Yim-fong Principal Transport Officer/Urban,

Transport Department (TD)

Ms YING Fun-fong Head (Kai Tak Office), Civil Engineering and

Development Department (CEDD)

Mr CHEUNG Koon-lam Chief Leisure Manager (Management),

Leisure and Cultural Services Department

(LCSD)

Mr Adrian CHAN Senior Marine Officer/Planning &

Development (1), MD

Ms Amy CHEUNG Assistant Director of Planning/Territorial,

Planning Department (PlanD)

Miss Ingrid TJENDRO Secretary

<u>In attendance</u>

Miss Christine AU Principal Assistant Secretary (Harbour),

DEVB

Mr Larry CHU Assistant Secretary (Harbour)1, DEVB

Absent with Apologies

Ms Lily CHOW Individual Member
Mr Hans Joachim ISLER Individual Member
Mr KAN Chak-fan Individual Member
Mr Bondy WEN Tsz-kit Co-opted Member

Mr Evans IU Representing Hong Kong Institute of

Landscape Architects

Ir Prof CHOY Kin-kuen Representing Hong Kong Institution of

Engineers

Mr Paul ZIMMERMAN Representing Society for Protection of the

Harbour

For Agenda Item 3

Mr Tony CHAN General Manager/Services, MD

Mr Calvin WONG Senior Marine Officer/Cargo Handling, MD

Action

The Chair welcomed all attending the meeting. He introduced and welcomed four co-opted Members on board, Captain CHEUNG Tai-kee, Mr Karl KWOK Chi-leung, Mr WONG Yiu-kan and Mr Bondy WEN (in absentia).

He informed Members that **Mr KL CHEUNG**, Chief Leisure Manager (Management) of Leisure and Cultural Services Department (LCSD) attended on behalf of Mr Donald CHOY. **Mr Edward LEUNG**, Senior Manager (Tourism) 2 of Tourism Commission (TC) attended on behalf of Ms Emily MO. **Mr Adrian CHAN**, Senior Marine Officer/Planning & Development (1) of the Marine Department (MD), attended on behalf of Mr CHEUK Fan-lun.

Item 1 Confirmation of the Minutes of the Last Meeting

- 1.1 The draft minutes of the 11th Task Force on Water-land Interface (TFWL) meeting were circulated to Members for comments on 3 February 2016. The revised draft minutes with Members' comments incorporated were circulated again on 19 February 2016.
- 1.2 There being no further comments received from Members, the draft minutes were confirmed.

Item 2 Matters Arising

Matters Arising (paragraph 4.12 of the minutes of the 11th meeting)

2.1 With regard to Members' enquiry about the statistics on unlicensed sport use vessels in Hong Kong, the Secretariat had relayed Members' request to the Home Affairs Bureau (HAB). Based on HAB's advice, the number of such vessels in water sports venues managed by the Leisure and Cultural Services Department's (LCSD) was provided in the post-meeting notes under para. 4.12 of the meeting minutes.

<u>The Science of Climate Change</u> (paragraphs 5.5 and 5.16 of the minutes of the 11th meeting)

- 2.2 In response to Members' suggestion of inviting Planning Department (PlanD) for a briefing on the impact of climate change on waterfront planning in Hong Kong, PlanD replied that the issue would be included in the exercise of HK2030+ which was under preparation. The project team would engage relevant stakeholders when appropriate.
- 2.3 With regard to Members' concern about the effect of global warming on the design of port and coastal defense structures, the Civil Engineering and Development Department (CEDD) would be invited for a presentation on the findings of their "Review of Studies on Climate Change and its Implication on the Design of Coastal Structures Feasibility Study" when ready.

Item 3 Review on Public Cargo Working Areas - Findings and Recommendations (Paper No. TFWL/01/2016)

- 3.1 The Chair informed Members that the Marine Department (MD) conducted the Comprehensive Review on Pertinent Issues relating to the Operation and Management of Public Cargo Working Areas Review) and provided a paper (PCWAs) (the (Paper TFWL/01/2016) to brief Members on the findings and recommendations of the Review. He welcomed **Mr** Tony CHAN, General and Mr WONG, Senior Marine Manager/Services, Calvin Officer/Cargo Handling of MD to the meeting.
- 3.2 **Mr CHAN** and **Mr WONG** presented the paper with the aid of a PowerPoint.
- 3.3 **The Chair** invited the project team to clarify the following points:
 - (a) noting that cargo handling activities at PCWAs involved transhipment of heavy construction materials including cement, metal materials and cylinders, he asked about the sources of these materials; and
 - (b) in relation to the recommendation of designating berthing spaces in Chai Wan PCWA, Rambler Channel PCWA and

Tuen Mun PCWA for the waste paper recycling industry, whether such paper recycling activities used to happen in the former Kwun Tong PCWA (which has since been transformed into a waterfront promenade).

- Mr Tony CHAN replied that the majority of these heavy construction and prefabricated parts, materials and machineries were from the Mainland and transported to Hong Kong by shipping, i.e. by river-trade vessels and barges, to certain PCWAs. He said that after the decommissioning of Kwun Tong and Cha Kwo Ling PCWAs, some of the paper recycling activities were relocated to Rambler Channel PCWA. As promulgated in the 2013 Policy Address, suitable PCWA berths would be identified for bidding by the recycling industry for their exclusive use. In this connection, a total of 16 berths in Chai Wan, Rambler Channel and Tuen Mun PCWAs were identified for exclusive bidding by competent paper recyclers and the Environmental Protection Department (EPD) was made responsible for checking the eligibility of bidders.
- 3.5 Mr WONG Yiu-kan said the paper had explained the primary functions of PCWAs and believed that detailed terms and conditions would be specified under the Berth License Agreements (BLAs). Noting 4 PCWAs were situated within the Harbour and that there were a variety of water-dependent cargo activities at these PCWAs, he urged relevant bureaux and departments to support the retention of PCWAs and continue to promote their long term and sustained development. He shared Mr CHAN's view that waterborne transport was the only means of transporting heavy and bulky commodities and materials to Hong Kong. He enquired whether the Government would consider extending the tender period so as to encourage operators of PCWAs to invest more on modern cargo handling equipment to cope with the shortage of labour.
- 3.6 **Prof TANG Bo-sin** asked for elaboration on the calculation method of the occupancy rate of PCWA berths as given in para. 6 of the Paper.
- 3.7 **Captain CHEUNG** agreed with Mr WONG's views and comments on the need for sustained development of the marine

industry.

3.8 **Mr Shuki LEUNG** enquired whether there were peak and non-peak hours for PCWAs and whether the berths could be used for alternative uses during non-peak hours.

3.9 **Mr Tony CHAN** responded as follows:

- (a) the tenure of the current BLAs was 5-year. MD has been maintaining close liaison with the PCWA operators and representatives; and their request for a longer tenure was noted. A Task Force, led by MD and comprising representatives from relevant Government departments, had taken into account views from various stakeholders and recommended to maintain a 5-year tenure. He supplemented that MD had conducted a questionnaire survey with PCWA operators and the majority of the respondents agreed with the 5-year tenure with some suggesting for a longer period of 7 years;
- (b) in response to Member's enquiry, the occupancy rate was the ratio between the number of berthing spaces tendered out to the total number of available berthing space within a PCWA; and
- (c) PCWAs were governed by the Port Control (Cargo Working Areas) Ordinance Cap. 81 (the Ordinance) and its subsidiary legislation. The Ordinance defined the boundary and the usage of PCWAs for cargo loading and It was observed that there were indeed non-peak hours for certain PCWAs. For instance, the Western District PCWA was busier in the morning than in the afternoon to provide daily supplies or services for the outlying islands and Macau. However, some other PCWAs, such as New Yaumatei and Stonecutters Island PCWAs which were located near the Kwai Tsing Container Terminals, would have ongoing activities for the entirety of their operating hours.
- 3.10 **Prof TANG Bo-sin** asked whether ships were allowed to berth at PCWAs if they were not performing cargo loading and

unloading activities.

- 3.11 **Mr Tony CHAN** explained that according to the Ordinance, PCWAs were used for cargo loading and unloading. Operators ought to carry out such activities at their allocated berths.
- 3.12 **Mr Calvin WONG** supplemented that BLAs were contracts governing the allocation of berthing spaces on the seaside to successful bidders while the allocation of land area at PCWAs was governed by the Ordinance.

3.13 **Mr TAM Po-yiu** raised the following enquiries:

- (a) who was the ultimate owner of the berths at PCWAs;
- (b) whether subletting of berths to other business partners was allowed;
- (c) what was the implication of 100% occupancy rate for some of the PCWAs and whether the figure signified a shortage of PCWA; and
- (d) given that PCWAs occupied part of the waterfront land which was precious public resources, whether shared use of the berths at PCWAs would be considered especially during non-peak hours.

3.14 **Mr Tony CHAN** further responded to Members enquiries:

- (a) a 100% occupancy rate of PCWA meant that all the available berths were tendered out and taken up by operators. Operators could berth their vessels as well as those of their business partners at the PCWA during the BLA tenure;
- (b) he agreed with Members that PCWAs were important water-land interface facilities for loading and unloading cargoes; and
- (c) MD had been working closely with PCWA operators and understood that there was no pressing demand for further expansion of PCWAs from stakeholders at the moment. Also, MD noted that the scarcity of land resources at the waterfront and difficulty in identifying suitable coastal sites for provision of new PCWA.

- 3.15 **Mr TAM Po-yiu** enquired whether there were regulations in place to monitor subletting of the berths and to ensure full utilization of the PCWAs. He also asked whether there would be the problem of under-ultilisation for PCWAs whereby tendered berths were left idle, similar to the case of taxi license for example.
- 3.16 In relation to Mr TAM's query, Mr WONG Yiu-kan shared that operators using the PCWAs were usually tenants of the berths themselves. Unlike taxi license and hawker license, they had to bid for the use of berths through tender for every five years under the current BLA arrangement. He opined that a 100% occupancy rate of PCWA would mean an optimal demand-supply scenario of berths for cargo activities in a particular area. He believed that relevant departments would liaise with the industry and take into account their views and comments when planning for PCWA facilities in the future. Regarding flexibility in resources allocation, he said that under-ultilised or unused berths at the Western District PCWA was proposed to be released to the Lands Department (LandsD) for reallocation and part of the Stonecutters Island PCWA would also be released for use to support the operation of He cautioned that it would be unfair to equate the use of waterfront land for PCWA operation as deprivation of other development potential or uses.
- 3.17 Mr Shuki LEUNG said that Hong Kong was a coastal city and permanent facilities for maritime transport and logistics were needed. In addition to the operational aspects of PCWAs, he opined that the provision of marine services to the outlying islands should also be catered for in the long run. He agreed with Members that waterborne transport was a cost-effective means to alleviate the environmental problems, such as air and noise pollution, created by road transport. He noted that the number of PCWA berths had reduced by one-third over the past 10 years and worried that further reduction would have negative implication to the position of Hong Kong as an international maritime logistics hub. He said that the community should uphold a positive attitude towards the provision of maritime transport facilities in support of the Government's long-term initiatives in sustainable development of the recycling industry and the "One Belt One Road" development strategy.

- 3.18 The Chair shared that cargo activities were not limited to PCWAs but also private berths and midstream sites. A 5-year tenure period under the current BLAs for PCWAs allowed flexibility for the Government to review the trend of cargo activities along with economic development on a regular basis. He agreed with Mr WONG that the retention of PCWAs was necessary for transporting construction and prefabricated materials to Hong Kong in a more environmentally friendly and economically efficient fashion. He recalled that the Study on Strategic Development Plan for Hong Kong Port 2030 indicated the insufficiency of barges at KTCT and recommended upgrading part of Stonecutters Island PCWA to support KTCT. From the perspective of the Task Force, Members acknowledged the importance of PCWAs for the marine trade industry and economic development in Hong Kong, but would welcome more of the less utilized waterfronts to be released for other communal use and public enjoyment.
- 3.19 **Mr TAM Po-yiu** noted that there was an increasing reliance on the barges at PCWAs to and from the Western Pearl River Delta region and the growing cargo transshipment on the western side of the Harbour. From a strategic planning perspective, it has been the view of the Harbourfront Commission to promote the western side of the Harbour as a working harbour while releasing the eastern side for leisure and recreational purposes. He advised the Government to plan prudently for the usage of sea frontage and berths on the western side of the Harbour to cope with future development of our maritime trade.
- 3.20 **Captain CHEUNG** said that Hong Kong was a vibrant port and the development of PCWAs was dynamic. He reflected that there were insufficient berthing and barging facilitates for passenger transportation services and the recycling industry. He urged for the provision of more marine facilities along the coast.
- 3.21 While supporting the long-term development of PCWAs, **Mr Shuki LEUNG** enquired whether PCWAs adjacent to residential area, such as that in Chai Wan, could allow for leisure use and activities like dragon boat races during non-peak hours.
- 3.22 Mr Tony CHAN agreed with the Chair's understanding on

PCWAs (under para. 3.18). In response to Mr LEUNG's enquiry, he elaborated that dragon boat races were indeed being held around Chai Wan PCWA annually and dates were specified in the BLA for Chai Wan PCWA to accommodate the organizing of the event. However, he reminded Members that cargo handling activities took place during the operating hours of the day, and that cargo operation involved the use of heavy lifting gear such as cranes. Together with the large quantities of cargo and equipment that were stowed thereat, the suggestion of opening up PCWAs for shared uses would involve safety issues which have to be carefully looked into.

- 3.23 **Mr WONG Yiu-kan** concurred with Mr CHAN's views and pointed out that from the operators' perspective, it would be risky to co-use the PCWAs with other water-based activities by the general public. He reminded that shared use of PCWAs would raise safety issues and legal responsibility to both the Government and PCWA operators and would need to be carefully considered.
- 3.24 The Chair concluded that the Review had taken into account needs of the relevant stakeholders in the industry as well as aspirations from local community. Members agreed with the recommendations put forward by MD and also welcomed the suggested releasing of three vacant berths at the Western District PCWA for public enjoyment. He thanked Mr CHAN and Mr WONG of MD for their presentation.

Item 4 Any Other Business

Date of Next Meeting

- 4.1 **The Chair** invited Members to give views and suggestions on specific water-land interface issues for discussion at the next meeting.
- 4.2 The Chair informed Members that the next meeting was being scheduled in co-ordination with meetings of the Harbourfront Commission and other Task Forces. The Secretariat would inform Members of the meeting date in due course.

4.3 There being no other business, the meeting was adjourned at 3:25 p.m.

Secretariat
Task Force on Water-land Interface
May 2016