

An Explanatory Note on the Proposal for a New Cruise Terminal at Kai Tak

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[Note: Readers may click onto [HERE](#) for a glossary of key terms used in this Explanatory Note and [HERE](#) for a gist of the key findings of the consultancy studies commissioned by the Tourism Commission (TC) and Hong Kong Tourism Board (HKTB) on cruise market development trend and the need for cruise terminal facilities.]

OBJECTIVES

The Government aims to develop Hong Kong into a leading regional cruise hub through the development of a world-class cruise terminal with state-of-the-art facilities which are user-friendly, and provide efficient and quality services. The facilities and services provided by the New Cruise Terminal should have built-in flexibility to allow for adjustments to meet the need of different types of cruise vessels and different cruise market segments. They form part of an overall experience of a cruise passenger and add value to a cruise vacation. In October 2006, the Government announced its plan to proceed with the development of a New Cruise Terminal on a site of 7.6 hectares at the southern end of the former runway in the Kai Tak Development (the Site) as follows –

- (a) an incremental approach will be adopted in developing the New Cruise Terminal at the Site;
- (b) the Government will offer the Site to the market through an open land tender. The successful bidder will be expected, at his own cost, to form the Site as well as design, build, operate and maintain throughout the 50-year term of the Land Lease the following facilities in and adjacent to the cruise terminal building :
 - (i) Apron Facilities;
 - (ii) Supporting Facilities; and

(iii) Commercial Area.

- (c) the successful bidder will complete the Apron and Supporting Facilities first, and have the flexibility to develop the Commercial Area as part of the cruise terminal building within a fixed period; and
- (d) the Government will start to engage the tourism industry, in particular the cruise market, to prepare for the tender exercise to develop the New Cruise Terminal referred to in (b) above.

2. The New Cruise Terminal should -

- (a) have built-in flexibility to allow the berthing of different types and sizes of cruise vessels including mega cruise vessels commissioned up to date, and meet the need of different operational modes adopted by cruise operators for different market segments;
- (b) provide user-friendly facilities and services to all potential users, including the cruise passengers, non-cruise tourists and the public;
- (c) offer the cruise passengers and other visitors a good experience. Once the passengers enter the Terminal, they should feel being welcomed through the check-in, baggage handling, security screening, embarkation and disembarkation procedures; and
- (d) become an iconic structure projecting the image of Hong Kong as Asia's world city.

3. To demonstrate our commitment to achieve the above objectives, we are inclined to assign a higher weighting to the non-premium aspects than the land premium, at the ratio of 70:30, in assessing the bids received during the open land tender. We also intend to seek nominations from relevant bodies such as the Hong Kong Institute of Architects (HKIA) and Hong Kong Tourism Board (HKTB) for appointment as independent advisors for the assessment process during the tender exercise. We hope to select a bidder who will -

- (a) design, build and operate a world-class New Cruise Terminal which is at least on a par with international standards;
- (b) work with the HKTB and the tourism industry to market Hong Kong as a regional cruise hub and develop cruise itineraries for Hong Kong;
- (c) attract cruise vessels homeporting at the New Cruise Terminal; and
- (d) respond to market demand and engage the industry.

4. The successful bidder will be expected to formulate and implement marketing, management and operation strategies for the New Cruise Terminal, including the determination of berthing fees and charges, in order to compete in the local and regional cruise market and to cater for changing market situations.

5. One of the key considerations for locating the New Cruise Terminal at Kai Tak is that it is the only site within the Victoria Harbour with the capability to provide two or more berths without reclamation. The proposed location for the New Cruise Terminal at the southern end of the runway has a deep seabed and large manoeuvring space along the former runway for receiving mega cruise vessels. Besides, public consultations on the Kai Tak Planning Review concluded that there was general support in the community for the early implementation of the New Cruise Terminal in the Kai Tak Development.

6. Upon completion of the New Cruise Terminal, together with the existing cruise terminal in Tsim Sha Tsui, Hong Kong will have four berths in total for cruise vessels. This will better serve the needs of the cruise industry and help sustain Hong Kong's development as a regional cruise hub.

7. To meet the needs of the cruise market, we endeavour to adhere to the following development timeframe –

Obtain approval of the draft Kai Tak OZP and invite tenders	4 th quarter/2007
Close invitation for tenders upon completion of the necessary statutory procedures	1 st quarter/2008
Execution of the Land Lease and Service Agreement	2 nd quarter/2008
Commission of the First Berth	February 2012

8. Before the commissioning of the First Berth, we are concerned that there would be cruise vessels which cannot berth at the Ocean Terminal due to their sizes or conflicts in schedule. We have thus liaised with container terminal operators at Kwai Chung on the berthing of these vessels at the container terminals as a stopgap measure. Taking into account the views of the container terminal operators, we have introduced a set of streamlined procedures in November 2006 to provide flexibility for container terminal operators to apply for temporary waivers of their land lease conditions to facilitate berthing of cruise vessels at the container terminals at Kwai Chung. We have also facilitated the berthing of cruise vessels at other facilities such as the China Merchants Godown and Wharf at Kennedy Town. We will continue our joint efforts with the cruise operators in identifying alternative berthing arrangements in the interim.

SCOPE OF THE PROJECT

9. The New Cruise Terminal will have two alongside berths allowing the concurrent mooring and servicing of different types and sizes of cruise vessels. It should be able to berth two mega cruise vessels at the same time. The successful bidder should at his own cost form the Site as well as design, build, operate and maintain –

- (a) **Apron Facilities** for two alongside berths adjacent to the cruise terminal building: these include an apron area, fender and mooring systems, passenger gangways, etc. which allow for the berthing of different types and sizes of cruise vessels including mega cruise vessels and the loading and unloading of passengers, baggage, supplies, etc. for cruise vessels;

- (b) **Supporting Facilities** essential for cruise operation: located inside the cruise terminal building such as Customs, Immigration and Health Quarantine (CIQ) Facilities of about 8 100 m² Gross Floor Area (GFA), an efficient baggage handling system, ticketing offices, waiting areas, etc, and those located within the Site and possibly at the ground floor or basement such as coach parking, loading and unloading areas for different transport modes, etc.; and
- (c) the **Commercial Area** of the cruise terminal building: a maximum non-domestic GFA of 50 000 m² inside the cruise terminal building including commercial/office/hotel/retail facilities, catering for tourists and locals as well as offices for cruise operators, travel agents, etc.

POTENTIAL BIDDERS

10. To operate a world-class New Cruise Terminal, we consider it essential for the successful bidder to have a proven track record in running relevant facilities. Specifically we intend to require the bidders to demonstrate that, as a minimum requirement, they have a proven track record in operating, managing and maintaining a cruise terminal of international standards. Proven track record can include engagement of senior management/key personnel with relevant experience or expertise. For those bidders who can satisfy the minimum requirement, further assessment will be conducted on their proven track record and appropriate weighting will be given to this aspect.

11. After taking into account market feedback, our cruise consultant proposes that bidders have to meet a minimum requirement of 3 years' immediate experience in operating a cruise terminal with a minimum annual throughput of 200 000 homeport passengers. We also intend to assess the experience of the bidders in developing and managing commercial developments.

SITE INFORMATION

General

12. The Site has an area of about 7.6 hectares, with a waterfront of 850 m long, and is between some 60 m and 100 m wide. The Site earmarked for the development of a New Cruise Terminal is zoned “Other Specified Uses” annotated “Cruise Terminal to include Commercial Development with Landscaped Deck Above” under the Draft Kai Tak Outline Zoning Plan¹ (OZP).

Marine Parameters

13. The existing embankment for the former runway is supported by a sloping rubble mound seawall. The general water depth along the existing seawall of the Site is about 6 m to 8 m. Further off-shore, the water depth increases to about 12 m to 13 m near the Eastern Fairway. Information on the foreshore is available in “Hong Kong Chart No. HK 0801 and HK 0802” published by the Hydrographic Office of the Marine Department.

Height Restriction

14. Except for the radar and its structural support for the Marine Vessels Traffic Service (MVTS), the New Cruise Terminal is subject to a maximum building height restriction of 35 mPD as stipulated on the Draft Kai Tak OZP.

Maximum GFA

15. The Draft Kai Tak OZP has made provisions that in determining the maximum GFA for the Commercial Area, the following may be disregarded –

- (a) any floor space that is constructed or intended for use solely as

¹ For details of the Kai Tak OZP, please refer to <http://www.ozp.tpb.gov.hk> or visit the Public Enquiry Counter of the Planning Department, 15/F., North Point Government Offices, 333 Java Road, North Point, Hong Kong.

car park, loading/unloading bay, plant room, caretaker's office, baggage handling area and passengers waiting/queuing area, provided that such uses as may be determined by the Government are ancillary and directly related to the development for the New Cruise Terminal; or

- (b) any floor space that is constructed or intended for use solely as Government uses, as required by the Government.

SURROUNDING LAND USES

16. According to the Draft Kai Tak OZP, developments compatible with the New Cruise Terminal have been planned in its immediate vicinity as follows -

- (a) adjacent to the New Cruise Terminal will be the Tourism Node allowing the development of hotels, retail and entertainment facilities (including a landmark building with a public observation gallery) and the Runway Park to accommodate facilities of aviation and other themes. At the southern end of the former runway abutting the end of the New Cruise Terminal, a site is earmarked for an at-grade cross-boundary heliport which will share the use of the CIQ Facilities provided in the New Cruise Terminal; and
- (b) to the north of the New Cruise Terminal will be a Runway Precinct. A cluster of commercial land uses (such as convention, retail, hotel, etc.) has been planned on the harbour-front side facing the Victoria Harbour.

17. The Draft Kai Tak OZP has also made provision for connections with major strategic transport infrastructure including the Shatin-to-Central Link, Central Kowloon Route, and Trunk Road T2, as well as designated sites for major development components including commercial/office, housing, a multi-purpose stadium and Metro Park. The Draft Kai Tak OZP has incorporated a reserve for a possible future rail-based environmentally friendly transport system. This is subject to further investigation and feasibility study. The Government will work out a development programme for the Kai Tak Development after the approval of

the Draft Kai Tak OZP which is expected in the fourth quarter of 2007. In view of the vast area of the Kai Tak Development, we expect that the developments in the vicinity of the New Cruise Terminal will be developed in phases and take some time to mature.

Interim Infrastructural Support

18. The Government will provide an interim access road connecting the Site with the existing Cheung Yip Street in Kowloon Bay as well as adequate water supply and sewerage infrastructure by end 2011 for the commissioning of the First Berth. Whilst opportunity will be provided for utility providers to lay their services in conjunction with the road work to enable provision of services including electricity, telecommunication, etc. to the New Cruise Terminal, the successful bidder is fully responsible for arranging supply of utilities and complying with requirements stipulated by the relevant authorities and utility operators for connection of services.

Future Connectivity

19. The successful bidder will be expected to take into account the future need to facilitate and enhance the smooth flow of visitors from the New Cruise Terminal to the surrounding developments including the Runway Precinct, Tourism Node and Runway Park.

DEVELOPMENT TIMEFRAME OF INDIVIDUAL FACILITIES

First Berth and Second Berth

20. The successful bidder will be required, under the Land Lease, to complete the Apron and Supporting Facilities of the First Berth and commence their operation by 29 February 2012. He will also be required to complete the dredging of the approach channel, Apron and Supporting Facilities for the Second Berth and commence its operation 3 years after being requested by the Government. However, before the requested commissioning date and prior to completing the dredging for the approach channel to the Second Berth, he may seek the consent of the Government to operate the Second Berth to serve smaller cruise vessels and the Government would consider the application having regard to issues such as traffic and marine operation implications.

Edge Structure

21. In addition to commissioning the First Berth by 2012, the successful bidder would also be required to complete the edge structure for both the First and Second Berths by February 2012 and February 2013 respectively.

Dredging Works

22. The successful bidder will be required to complete the dredging works for the turning basin and approach channel for the First Berth by February 2012 to tie in with the commencement to operate the First Berth. The dredging works associated with the approach channel to the Second Berth will require diversion of the existing gas mains by the Hong Kong and China Gas Company (“the Gas Company”). The Gas Company has indicated to the Government that its preliminary target is to complete the new pipelines by the second quarter of 2012. The actual completion date for the diversion project will be subject to the finalization of detailed design as well as concerned statutory authorization and approvals from the Government authorities.

CIQ Facilities in the Cruise Terminal Building

23. The successful bidder will be required to complete to the satisfaction of the Government the part of the cruise terminal building including associated utilities, building services and fitting out, etc. to accommodate the CIQ Facilities on or before the date to commence the operation of the First Berth, and transfer the ownership of such part of the building to the Government free of costs. The Successful bidder will be required to allow the agents and contractors of the Government to enter such part of the building to install CIQ equipment four months prior to the date for commencement of operation of the First Berth. The Government will be responsible for the maintenance and operation of the CIQ Facilities.

Commercial Area

24. We intend to provide the successful bidder some flexibility in the timeframe for developing the Commercial Area, in view of the lead time

for the whole Kai Tak Development to mature. We would prescribe in the Land Lease that the successful bidder should complete the GFA of the Commercial Area by 2020.

Landscaped Deck

25. The bidders will be required to propose a Landscaped Deck at the roof of the cruise terminal building to facilitate the public to enjoy the waterfront. We are inclined to set a minimum area of 22 000 m², or 44% of the maximum allowable non-domestic GFA, for the Landscaped Deck which could be delivered in phases, say 25%, 35% and 40% respectively by 2012, 2016 and 2020, to allow creativity and flexibility in design and completion of the commercial area. The bidders would need to demonstrate that such phasing arrangement would not compromise the iconic outlook of the terminal as the First Berth is commissioned.

MAJOR TECHNICAL REQUIREMENTS

Timely Commissioning of the First Berth

26. To sustain the development of Hong Kong as a regional cruise hub, the First Berth would need to be commissioned by 2012 to cater for the pressing market demand. For the tender, bidders would need to demonstrate through the implementation programme how they can achieve a set of prescribed milestones to commission the First Berth by February 2012. The successful bidder will be required to submit for monitoring purposes, quarterly reports certified by qualified independent professionals on the progress of the works with respect to the milestones.

27. In addition, the Government plans to require the successful bidder to provide an on-demand bond to guarantee the performance of the obligation in relation to the timely commissioning of the First Berth. We intend to fix the sum of the bond at 5% of the estimated construction cost for the First Berth, its associated marine works and the accommodation for CIQ Facilities. The bond would come into effect before the date of execution of the Land Lease until the successful completion of the First Berth to the satisfaction of the Government. In the event that the successful bidder fails to commission the First Berth by a specified date/time, the Government will be entitled to call the bond by serving a demand on the issuer of the bond.

Berthing Parameters

28. To become a world-class cruise terminal, facilities for a New Cruise Terminal should have the flexibility to serve different types and sizes of cruise vessels including mega cruise vessels. They should be designed and built to meet the following technical parameters –

Table 1 Berthing parameters for existing and future cruise vessels²

	At least up to
Gross Tonnage	220 000 tonnes
Displacement Tonnage	110 000 tonnes
Length overall	360 m
Beam	47 m
Draft	10 m
Passenger and crew capacities	5 400 passengers and 1 200 crew

Site Formation and Marine Works

29. We intend to require in the tender that the successful bidder should at his own cost design, form and maintain the Site which should include –

- (a) Edge structure: This involves excavating back the existing seawall and constructing an edge structure of a low energy reflection form with a toe-level of about -13 m below Hong

² The largest cruise vessel in operation is the “Freedom of the Seas” with gross tonnage of 160 000 tonnes, length overall of 345 m and passenger capacity of more than 3 600. According to the information from the cruise industry as at May 2007, 39 new cruise vessels are scheduled for delivery to major cruise operators between 2007 and 2012. The largest being planned is the “Project Genesis” with gross tonnage of some 220 000 tonnes, length overall of 360 m and passenger capacity of about 5 400. Two “Project Genesis” class vessels are scheduled for delivery in 2009 and 2010. The New Cruise Terminal should be able to accommodate the largest cruise vessel in existence and being planned.

Kong Chart Datum (“CD”) to allow the berthing of cruise vessels. The edge structure will extend the full length of the Site and be able to withstand all force effects related to the berthing and mooring of cruise vessels with parameters as set out in Table 1 as well as any load effects arising from traffic and other operations likely to be conducted on the apron. It will also have to be constructed at a level necessary to allow direct servicing of cruise vessels from the landside without any intermediate berthing mechanism; and

- (b) Formation of a turning basin and approach channel: This involves dredging the seabed to about -12.0 mCD to form a turning basin and approach channel for manoeuvring cruise vessels. A plan showing the proposed dredging boundary is at **Annex 1**. Any abandoned marine structure and submarine outfall within the area affected by the dredging works should be demolished and removed, relocated or reprovided as appropriate as part of the site formation works.

Statutory Approvals and Reference Design

30. The site formation for the New Cruise Terminal involves works requiring permit under the Environmental Impact Assessment Ordinance (EIAO) and authorizations under the Foreshore and Seabed (Reclamation) Ordinance (FS(R)O). To expedite the development of the facilities, the Government will undertake procedures to obtain the statutory authorization and the EP based on a reference design prior to the award of the tender.

31. Technical information on a reference design on the site formation and marine works adopted for the purposes of completing the FS(R)O and EIAO procedures and formulation of the technical requirements will be made available for inspection by interested parties upon invitation for tenders. All bidders are expected to take note of such information in preparing their tender submissions. We intend to upload the reference design before the issue of tender in order to facilitate potential bidders to prepare for their submissions early.

32. Should the design proposed by the successful bidder result in any amendment to the permit under EIAO or the successful bidder considers

that variations/changes to the permit are necessary for completing the development of the New Cruise Terminal, he shall be responsible for, at his own cost, obtaining the corresponding changes to the permit required. The reasonableness of the implementation programme to achieve the commissioning date of the First Berth will be an important part of the tender assessment, and bidders are reminded of the possible impact of any amendment to permit on the implementation programme.

Phasing and Impact of Works

33. Dredging for the marine works will be phased: the Second Berth will be affected by the concerned submarine gas mains, as such part of the marine works cannot be conducted until they are diverted. Dredging works for the First Berth are not expected to be affected and can be carried out first.

Technical Requirements on Apron Facilities

34. We will prescribe in the tender that the successful bidder should at his own cost, design, provide, erect, install, operate and maintain the following facilities –

- (a) fender and mooring systems appropriate for berthing of different types and sizes of cruise vessels with parameters at least up to those set out in Table 1;
- (b) adequate number of gangways for passengers depending on the capacity of the cruise vessel;
- (c) connections to the cruise vessels for potable water supplies and sewage collection; and
- (d) lifting equipment and gangways for loading and unloading of provisions, baggage, etc. to and from cruise vessels.

Technical Requirements on Supporting Facilities

35. We also intend to require the successful bidder to provide at his own cost a variety of Supporting Facilities necessary for the smooth

operation of the New Cruise Terminal. These Facilities should be user-friendly and provide value-added to the total experience of a cruise passenger once he enters the New Cruise Terminal. The design of the Supporting Facilities should be able to optimize the passenger flow and offer flexibility, efficiency and quality services to cruise operators, cruise passengers and other users. This is important as the New Cruise Terminal will form part of the total experience of the cruise passengers. Every effort must therefore be made to ensure that they feel being welcomed when using the various facilities of the Terminal, such as check-in counters, queuing and waiting areas, baggage handling, security screening, transport facilities as well as CIQ facilities.

Facilities to be provided and operated by the successful bidder within the cruise terminal building

36. Areas for Supporting Facilities ancillary to the operation of the cruise terminal services including security, baggage handling, ticketing, check-in, passenger queuing and waiting, etc. will need to be provided in the cruise terminal building. We estimate that to cater for the embarkation or disembarkation of 6 000 to 8 000 passengers, a minimum total GFA of about 18 400 m² will be required for baggage handling as well as passenger queuing and waiting. They will be distributed on the ground floor and the first floor of the terminal building. A breakdown of the estimates is at Table 2. This is in addition to the 50 000 m² GFA for Commercial Area that may be provided in the Site. The ticketing and check-in facilities will be part of the Commercial Area.

Table 2 Estimated areas required for Supporting Facilities

	GFA required (m ²)
Passenger queuing and waiting area	5 800
Baggage handling area	12 600

Facilities to be provided and operated by the successful bidder underneath the cruise terminal building

37. The successful bidder will be required to provide ground transport facilities underneath the cruise terminal building to serve the public

including in particular the cruise passengers. We intend to require bidders to provide the following transport facilities for the cruise passengers –

- (a) at least 40 50-seater coach loading/unloading bays of suitable configuration for passengers/crew. An additional queuing area to accommodate at least 30 50-seater coaches as well as by-pass lane(s) for drawing-off of any coaches would also be required. The area shall be connected to the loading/unloading bays, located and managed as such to avoid interfering with vehicular traffic of other users/visitors of the New Cruise Terminal;
- (b) 33 spaces for picking up and dropping off of passengers from taxis and 36 queuing spaces; and
- (c) 30 spaces for picking up and dropping off of passengers from private cars and 95 parking spaces for private cars.

These transport facilities will be provided in addition to the provisions for the Commercial Area.

CIQ Facilities for use by the Government

38. We intend to specify in the tender that the successful bidder will be required to design and construct, at his own cost, the part of the cruise terminal building to accommodate the CIQ Facilities. All bidders will be required to submit in their tender submissions, within the overall layout design, the detailed layout of different CIQ Facilities in accordance with the tender requirements. Bidders would need to demonstrate in the overall layout design that all the concerned requirements have been incorporated, which allow for the future fitting-out of these areas to be carried out by the Government. On satisfactory completion of the construction of the accommodation for CIQ Facilities, the ownership of the accommodation would be vested with the Government free of charge and without reimbursement.

39. The Government estimates that the CIQ Facilities will require a total GFA of about 8 100 m² in the cruise terminal building. This should be able to meet the needs of both the First and Second Berths with a capacity to handle 1 000 to 1 500 passengers/crew requiring land-based immigration

clearance³ within half an hour. With inputs from the cruise industry, we have attempted to put forward some suggested operational arrangements for CIQ controls at **Annex 2**. With market inputs, we have set out some preliminary and broad conceptual logistical and operational flowcharts for departure and arrival at **Annexes 3-1 and 3-2** respectively. The target is to ensure effective and efficient logistics and operational flow that would be user-friendly to passengers, crew and cruise operators.

40. We intend to require the successful bidder to allow for the shared use of the CIQ Facilities with the planned cross-boundary heliport adjacent to the New Cruise Terminal. We will reserve sufficient space for future provisions/expansion of CIQ Facilities as a result of increased throughput or operational needs.

41. As we expect that the heliport would not make substantial use of the CIQ Facilities which are designed primarily for the New Cruise Terminal, we intend to require the CIQ Facilities to be located somewhere between the First and Second Berths.

Other Facilities to be provided for the Government

42. Apart from the Berthing Facilities, Supporting Facilities and Commercial Area, the bidders should note that they are also required to provide at their own cost other facilities for the Government, as set out in paragraphs 43 and 44 below. The design of these facilities should be such that they could optimize the passenger flow in the Terminal and add value to the total experience of a cruise passenger.

Police Facilities

43. We intend to require the successful bidder to provide accommodation for police facilities at an estimated GFA of about 710 m² distributed at different locations within the cruise terminal building. We expect that the ownership of the corresponding parts of the building would be vested with the Government free of cost and reimbursement on completion of the construction and fitting out of the accommodation.

³ Cruise passengers/crew having completed immigration clearance on board the cruise vessels would only have to complete the customs clearance and port health screening and could be processed much faster.

MVTS Radar

44. We intend to require the successful bidder to design and construct, as part of the cruise terminal building and at his own cost, a supporting structure for the installation of the MVTS radar and the associated equipment room with an estimated GFA of about 36 m². The supporting structure, located at the southeastern corner of the Site, will reach a height of 45 mPD and be integrated with the cruise terminal building⁴. We expect that, on satisfactory completion of the construction and fitting out of the supporting structure and the equipment room, the ownership would be vested with the Government free of cost without reimbursement for installation of equipment and radar.

Landscaped Deck

45. We intend to require the successful bidder to provide and maintain, at his own cost, a Landscaped Deck of an area of at least 22 000 m² or 44% of the maximum allowable non-domestic GFA above the cruise terminal building with convenient public access connecting to the waterfront promenade along the former runway and the Runway Park. The bidders would also need to demonstrate that the phasing arrangement for the implementation of the Landscaped Deck as described in paragraph 25 would not compromise the iconic outlook of the terminal as the First Berth is commissioned. In order to add vibrancy but without hindering public access and blocking public view to the harbour, the area adjoining the Landscaped Deck could be utilized to accommodate dining places and retail facilities, which would be accountable towards the total non-domestic GFA of 50 000 m².

⁴ The existing MVTS radar is located at the South Apron area of the former Kai Tak Airport. It provides continuous surveillance of marine vessels operating at the eastern part of the Victoria Harbour from Lei Yue Mun to Hung Hom Bay. With the proposed land uses in the Kai Tak Development, the radar has to be reprovisioned to the southern tip of the former runway to maintain effective coverage of the waters concerned to ensure marine traffic safety. The new cruise terminal building, being located at the waterfront area, will not be blocked by existing and planned development, and meets the technical and operational requirements of the MVTS radar as well as complies with the planning intention of the Draft Kai Tak OZP.

46. We intend to assess whether the master landscape plan could facilitate public access to the waterfront to accord with the Harbour Planning Principles. We look forward to a well-designed facility which is attractive and compatible with the ambience of the environment, as well as user-friendly to the public, but not affecting the operation and security of the New Cruise Terminal. We intend to assess the design and layout as well as timing of implementation of the facility in the tender assessment. Higher scores may be awarded to a well-design landscaped deck with easy access by the public and an early completion and provisioning programme.

47. We note that the opening hours of the Landscaped Deck may be subject to the operational and security requirements of the New Cruise Terminal. To strike a balance between public enjoyment and operational/security concerns of the cruise operators for the passengers and crew, we intend to require the successful bidder to seek the Government's approval for the opening hours of the Landscaped Deck.

Concept Design

48. Since the announcement of the development of a New Cruise Terminal in October 2006, we have received views from various quarters, in particular the architecture profession, that a New Cruise Terminal should have an iconic design capable of creating an impressive landmark at such a prestigious location in the Victoria Harbour and attracting both locals and visitors as a must-visit destination. This is consistent with the Government's intention to build a world-class cruise terminal. We expect the successful bidder to make reference to the draft Architectural Statement in paragraphs 49 to 53 below and relevant Town Planning Board and Harbour Planning Principles in its concept design which will be assessed in the tender. The design of the cruise terminal building should also be optimized to offer the greatest flexibility, efficiency and effectiveness, as well as satisfaction, for the users.

Draft Architectural Statement

49. The New Cruise Terminal will be located at the southern end of the former Kai Tak airport runway which is a very prominent position in the Victoria Harbour. Here the opportunity arises to make the Harbour more attractive, vibrant, accessible and symbolic with a structure of outstanding

and world-class architectural design capable of becoming an iconic symbol not only to the people of Hong Kong but to the millions of visitors expected to arrive and depart by cruise vessels in the future.

50. The New Cruise Terminal will be the focal point for both local and overseas cruise passengers. The development therefore should project an image befitting the position of Hong Kong as Asia's world city and a major tourist destination. It should not give the appearance of being obtrusive or overly ostentatious. In addition to being aesthetically pleasing and in harmony with the areas surrounding this part of the Victoria Harbour, it should showcase excellence in design and world-class architecture - an icon in which the present and future generations of Hong Kong can take pride.

51. The design should respond to the unique location and context of the site in one of the world's finest natural harbours. Particular attention shall be given to building design so that it will blend in aesthetically with the structural support to accommodate the MVTTS radar. The design of the development should also fully integrate with all other developments planned for the area, particularly the adjacent heliport, public parks, commercial, hotel and other tourism-related facilities, as well as the Kwun Tong business areas as the backdrop. It should be able, as far as practicable, to attract local residents as well as cruise passengers to enhance the appeal and vibrancy of this harbour-front area.

52. As well as presenting an image of outstanding architectural and structural design, the layout of the terminal must also function in an efficient manner with pedestrian and vehicular flows offering future passengers and operator optimal user-friendliness. With cruise arrivals and departures involving thousands of passengers at peak times, it is crucial to have a smooth flow of people.

53. As well as being functional, the design of the terminal should be sustainable and environmentally sensitive, incorporating innovative "green features". As far as possible all roof and deck areas should be suitably landscaped.

Relevant Town Planning Board and the Harbour Planning Principles

54. The Victoria Harbour is a special public asset and part of the natural heritage of Hong Kong. We appreciate the community's aspiration of creating a vibrant harbour-front for the enjoyment of the community through "Bring People to the Harbour and the Harbour to the People". In developing a New Cruise Terminal, apart from being a tourist-friendly, effective and efficient world-class facility, we expect the design of the New Cruise Terminal to embrace as far as practicable, the Town Planning Board's Vision and Goals for the Victoria Harbour at **Annex 4.1** and Harbour Planning Principles at **Annex 4.2**.

Environmental Management

55. The design of the building should be environmentally friendly and incorporate innovative 'green' features⁵. We also intend to require the bidders to demonstrate in their tender submissions how they have taken every opportunity to develop and integrate energy saving strategies into the design. Compliance with all existing energy codes⁶ is essential.

⁵ Some published references on green features for buildings can be found at the following hyperlinks -

- Joint practice notes on protection and improvement of the built and natural environment by Buildings Department, Lands Department and Planning Department - http://www.bd.gov.hk/english/documents/index_joint.html
- Code of Practice for Overall Thermal Transfer Value in Buildings 1995 - http://www.bd.gov.hk/english/documents/code/e_ottv.htm
- Codes of practice for energy efficiency and HK energy efficiency registration scheme - http://www.emsd.gov.hk/emsd/eng/pee/eersb_pub.shtml
- Guidance note on energy efficiency and conservation for buildings and guidelines on energy audit - http://www.emsd.gov.hk/emsd/eng/pee/em_pub.shtml
- Life Cycle Assessment and Life Cycle Costing Tool for Commercial Building Developments in Hong Kong - http://www.emsd.gov.hk/emsd/eng/pee/lceabc_pub.shtml
- Environmental Protection Department's environmental standards and guidelines - statutory and non-statutory - http://www.epd.gov.hk/epd/english/envir_standards/esg_maincontent.html

⁶ The energy codes, which only cover the minimum requirements of energy performances of building services installation, can be found at the following hyperlink http://www.emsd.gov.hk/emsd/eng/pee/eersb_pub_cp.shtml.

Energy Efficiency and Conservation

56. We believe that the disposition of the cruise terminal building and the relationship between buildings and open spaces should be such that the use of natural ventilation and daylight is maximized as far as possible. We intend to require bidders to demonstrate an energy conservation design making the best use of natural ventilation and daylight without compromising the overall thermal transfer value.

Use of On-shore Power Supply

57. To mitigate any adverse impact on air quality, we intend to require the successful bidder to ask cruise vessels suitably equipped to shut down the propulsion and on board electricity generation systems and to use on-shore power supply while at berth. At present, there is no international standard regarding the provision of on-shore power supply equipment. The International Organisation of Standardisation is preparing standards on the connection equipment and ancillary requirement. These standards will not be available at the time of award of tender. Therefore we intend to require the successful bidder at his own cost to design, build, operate, and implement the use of on-shore power supply for cruise vessels so equipped within 2 years after being requested by the Government when the standards are available. The successful bidder shall make provisions in the design of the cruise terminal building for future implementation of the use of on-shore power supply by making reference to overseas experience, current practice and future trend in the cruise market to estimate the electricity demand as well as the requirement for electricity transformer and connection equipment. According to overseas experience, to meet the requirements for cruise vessels in operation and those being planned for delivery by 2012, electricity supplies would have to be in 3-phases at 60Hz. In addition, the equipment would have to be able to handle voltages from 6.6kV to 11 kV and electricity demand ranging from 5 megawatt to 25 megawatt.

58. To meet the obligation of the MARPOL Convention, we intend to require the successful bidder to provide cruise vessels with connections to shore reception facilities for the collection of sewage and grey water.

Air Intake Requirement

59. We intend to require the successful bidder to locate the fresh air intake for air conditioning of the New Cruise Terminal at least 10 m above ground on the side of the terminal building facing the Runway Park and the Tourism Node.

Security Requirements

60. In view of the importance of security arrangements for the operation of the New Cruise Terminal as an entry/exit point, we expect the successful bidder to ensure that the operation of the New Cruise Terminal is in full compliance with security and safety requirements specified by the Government and relevant security codes and practices accepted by international organizations. He will also be required to observe the International Ship and Port Facility Security (ISPS) code as specified by the Merchant Shipping (Security of Ships and Port Facilities) Ordinance (Cap. 582) and cooperate with the Government in ensuring the security of the New Cruise Terminal.

61. We also intend to require the successful bidder to identify and establish restricted areas to meet the prevailing statutory security requirements and any other requirements stipulated by law enforcement agencies on immigration and customs controls; and providing perimeter fence/wall, booths, security guards, security screening equipment, a restricted area permit system, a close circuit television system, etc. as access control to restricted areas.

Maintenance Responsibilities

62. We consider it necessary for all works and facilities to be provided for the New Cruise Terminal to be designed in compliance with the standards promulgated by relevant authorities. We intend to require the successful bidder to carry out all necessary maintenance and repair works during the term of the Land Lease as well as submit on a regular basis maintenance and condition survey reports certified by qualified independent professionals to the satisfaction of the Government.

63. We also intend to require that the successful bidder should, throughout the term of the Land Lease, be responsible for the maintenance at his own expenses and in all respects to the satisfaction of the Government, the external finishes of the accommodation for CIQ Facilities and other Government facilities, the building structure and any elements thereof, all lifts, escalators and stairways, building services installation, plant and equipment, drains, pipes, sewers, conduits for telephone and communication lines in the common area as well as all common parts and facilities serving the CIQ Facilities and other Government facilities.

MAJOR OPERATIONAL AND MANAGEMENT REQUIREMENTS

Operation, Business and Marketing Plan

64. We intend to require a bidder to demonstrate his ability to put in place a comprehensive plan with specific performance pledges for operating and managing a New Cruise Terminal to a world-class standard. We expect the plan to be able to demonstrate that the bidder places particular emphasis on providing tourist-friendly, effective and efficient services to cruise operators and cruise passengers on a par with world-class standards.

65. To this end, we intend to request the bidders to provide the following for tender assessment -

- (a) an operation plan tailored for cruise terminal design, including passenger movement and logistics flow, appropriate development of terminal facilities such as gangways, baggage handling system, security screening, etc. to offer flexible, efficient and quality services to cruise operators, cruise passengers and crew, and other users. The operation plan should include the bidder's performance pledges on deliverables such as baggage handling at kerbside, baggage loading onto vessels, stevedore deployment, gangway placement, baggage claim and passenger coach loading, having regard to prevailing industry practice in major cruise terminals overseas and aspirations of the cruise operators. Higher scores may be awarded to additional performance pledges submitted by the bidders, which are discrete, quantifiable and measurable, and can enhance the service of the New Cruise Terminal to the

passengers and cruise operators; and

- (b) a business plan showing how the New Cruise Terminal would generate tourism and economic benefits for Hong Kong of the New Cruise Terminal, and commitment of the bidders to enhance the competitiveness of the New Cruise Terminal in Hong Kong and the neighbouring regions. They will be elaborated in paragraphs 66 and 67 respectively.

Attracting Cruise Vessels Homeporting at the New Cruise Terminal

66. To further enhance Hong Kong's status as a regional cruise hub, we need to attract more cruise operators to use Hong Kong as their homeport, as homeport operation will bring in stable volume of passengers. This will also bring Hong Kong substantial economic and tourism benefits, since the passengers will usually spend more time in the port before and/or after the cruise journey. The cruise vessels homeporting at Hong Kong would also need to replenish their supplies and carry out repairs, for instance, thereby bringing additional economic benefits. We expect bidders to submit concrete plans to demonstrate their ability to bring in cruise vessels homeporting in Hong Kong. We would assess the reasonableness of the plan proposed by the bidders, including the number and size of the homeporting vessels, expected total passenger volume and expected number of calls per year, etc.

Commitment to Enhance Competitiveness

67. We intend to require the bidders to demonstrate their commitment to enhance competitiveness of the New Cruise Terminal, including their proposals for -

- (a) arrangements for fees and charges, which should have regard to the level of competition and the level for fees charged by other cruise terminal operators in Hong Kong and the Asia Pacific region;
- (b) arrangements for berthing slot allocation, by having regard to the standard industry practices accepted worldwide. This is further elaborated in paragraphs 68 and 69; and

- (c) any other pledges that may enhance competitiveness of the New Cruise Terminal in the region.

“Open-To-All” Requirement

68. To develop Hong Kong into a leading regional cruise hub, we consider it appropriate for the New Cruise Terminal to be operated on a shared use basis so that we can best meet the berthing needs of different cruise operators. At the same time, we do not intend to intervene in the market operation of the cruise terminal operator, including its fees and charges, and berthing slot allocation. We therefore intend to include in the Land Lease a user clause on “open to all” requirement, similar to that in the existing Land Leases of the container terminals, which seeks to restrict the operator from favouring any particular user/users by disallowing other users to use his berth(s) despite the availability of slots.

69. In this regard, when drawing up the berthing slot allocation policies, the bidders may draw reference to the current practices of shared use of berthing slots in cruise terminals worldwide. These practices are: first come first served, contractual arrangements between the terminal operators and cruise operators, allocation through volumes of business, and priority for homeports over port-of-calls, etc. In addition, the bidders may consider allocating priority to signature cruise vessels.

Promoting Industry Engagement

70. We are keen to ensure that the operation of the New Cruise Terminal will meet the needs of the cruise market and tourism industry, hence sustaining Hong Kong’s development as a regional cruise hub. In this connection, we intend to require all bidders to submit specific pledges to cooperate with the HKTB and the cruise industry in promoting Hong Kong as a regional cruise hub, such as participation in relevant international/regional trade shows. We intend to require the successful bidder to provide space for the HKTB’s visitor service kiosk at the new cruise terminal rental free, and set up a market consultation forum for engaging the cruise market, tourism industry and the Government in the long term. Bidders will be required to propose the composition, meeting frequency and modulus operandi of the forum, including specific mechanism to engage the cruise market and tourism industry and inform them of their

latest development/improvement plans for the cruise terminal facilities and services. The proposed scope of work for the market consultation forum is at **Annex 5**. We believe that only through such engagement would a cruise terminal operator be able to meet market needs and stay ahead of market trends.

Transparency

71. As a measure to promote market transparency, we intend to require the bidders to submit the following measures on -

- (a) how information on operation, maintenance and marketing of the terminal will be submitted to the Government on a regular basis, say annually, to facilitate the latter's monitoring of the market situation and planning for future facilities. These should cover at least the following items :

- (i) operation and management issues;
- (ii) marketing aspects;
- (iii) security and transportation management;
- (iv) maintenance scheduling; and
- (v) industry engagement activities;

and

- (b) how non-commercially sensitive information regarding its facilities and services will be disclosed to the market on a regular basis. These should cover at least the following mandatory items :

- (i) general statistics including berth utilization rate as well as annual/monthly total number of calls and passengers throughput;
- (ii) berthing slot allocation policies;
- (iii) safety and security policies; and
- (iv) standard fees and charges schedule and policy..

72. Apart from the above, we plan to include in the Land Lease a power for the Government to require the successful bidder, i.e. the future

cruise terminal operator, to provide such information as berth booking schedules and fees and charges schedules when the Government receives complaints from the cruise market and in other circumstances as the Government considers it reasonable to invoke such a power.

73. These disclosure and reporting measures will seek to enhance operational transparency. The Government will exercise these powers prudently in order not to interfere with the day-to-day operation of the cruise market and the New Cruise Terminal. We believe that with the intensive competition amongst cruise terminals in Hong Kong and within the region, these measures together would help ensure that the operation of the New Cruise Terminal will be responsive to changing market needs.

Service Agreement

74. We intend to require the successful bidder to enter into a Service Agreement with the Government in respect of its performance pledges for the operation and management of the New Cruise Terminal as outlined in paragraphs 70 and 71 above. The Service Agreement will be co-terminus with the land lease. It will require the successful bidder to make available to the public throughout the term of the lease certain information to enhance the transparency of the operation and management of the New Cruise Terminal.

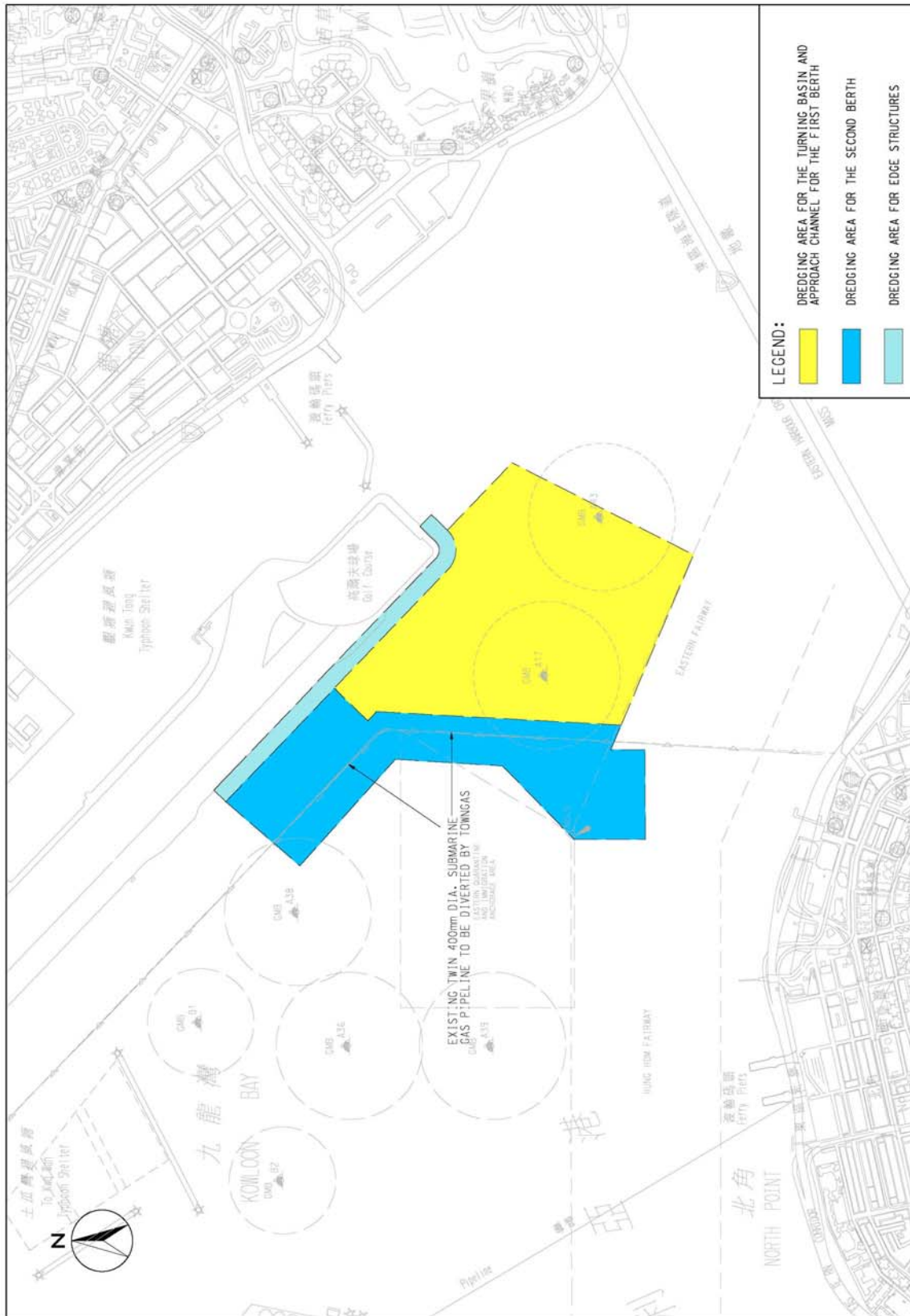
Implementation

75. Upon award of tender, we will establish an interdepartmental Steering Committee to continue to monitor the implementation of the New Cruise Terminal. In particular, the Steering Committee will seek to ensure timely completion of the construction works of the New Cruise Terminal, and ensure that any subsequent proposed changes to the design aspects would be no less favourable than the original proposals.

76. The Service Agreement will be enforced by the Tourism Commission with the assistance of relevant bureaux and departments to ensure the software, e.g. the performance pledges, on operation and management aspects will be delivered.

WAY FORWARD

77. We will invite tender immediately after the approval of the draft Kai Tak OZP in the fourth quarter of 2007. The Government is committed to taking forward the development of a New Cruise Terminal at Kai Tak on a fast track programme, with a view to commissioning the First Berth in February 2012.



Proposed Dredging Boundary for Turning Basin and Approach Channel

**Suggested Operational Arrangements
of Customs, Immigration and Health Quarantine (CIQ)**

Customs Control

- All cruise vessels, passengers, crew, staff, baggage, cargo, postal packets, express mails, provisions and supplies, etc. are subject to customs clearance and control. Highlights of the customs clearance operation are provided in Appendix I.

Clearance of Immigration Control

- We expect that immigration control for cruise passengers shall be conducted as follows –
 - (a) on board the cruise vessels for passengers arriving on port-of-call and homeport cruise vessels as well as departing on port-of-call vessels;
 - (b) on land at the cruise terminal for passengers departing on homeport vessels;
 - (c) on land at the cruise terminal for crew leaving the vessels or transferring to another vessels; and
 - (d) on land at the cruise terminal for passengers arriving and departing on cruises-to-nowhere.
- Highlights of the immigration clearance operation are provided in Appendix II.

Port Health Control

- We expect that the health screening measures for arriving/departing passengers should be implemented on land (in the corridor by temperature screening machines) and preferably before immigration

clearance;

- If a passenger is screened with a high temperature, he will be brought into a reception room for further assessment; and
- If there is an outbreak of infectious disease, collection of health declaration forms may be required and should be implemented at the health check zone.

Highlights of Custom Clearance Operations

Customs Clearance on Cruise Vessels

- All parts of any kind of cruise vessels, including cabins and the dutiable commodities bond thereon (i.e. vessel's store) are subject to search and examination by customs officers.

Customs Clearance on Passengers and Crew

- Customs clearance will be conducted in the passenger terminal building under the “Red and Green Channel System” –

Red Channel (Goods to Declare, with dutiable/ controlled items to declare)

- Passengers and crew should enter the Goods to Declare Channel (Red) to make declaration to customs officers if they are having any prohibited /controlled items or dutiable commodities but not entitled to duty-free concessions, or having dutiable commodities exceeding their duty-free concessions.

Green Channel (Nothing to Declare, without dutiable/ controlled items to declare)

- Passengers and crew should enter the Nothing to Declare Channel (Green) if they are having dutiable goods in compliance with duty-free concessions upon their arrival or not having dutiable goods or prohibited /controlled items.

Customs Clearance on Baggage

- Each baggage shall be subject to customs monitoring and screening when unloaded from the vessels and before being delivered to the baggage reclaim hall.
- After passengers and crew have collected their baggage at the baggage collection hall, they will have to pass through either the Red Channel (Goods to Declare) or Green Channel (Nothing to Declare) for customs clearance. Passengers and crew with declared goods will also be processed according to respective laws of Hong Kong.
- Unclaimed baggage will be temporarily stored at the unclaimed baggage

bond pending examination by customs officers and be disposed of by terminal staff within a reasonable time specified by customs officers.

Customs Clearance on Cargoes, Postal Packets, Express Mails and Provisions

- Incoming and outgoing cargoes, postal packets, express mails and provisions are subject to customs clearance. In enforcing the respective ordinances, customs officers will conduct checking and/or examination at the apron area.

Customs Control on Staff

- Staff entering and leaving the restricted area are subject to customs clearance at the staff channel (between non-restricted area and restricted area within the terminal building), egress/ingress channel (between CIQ restricted area and landside) or gate house (between apron restricted area and landside).
- Staff's personal belongings and any goods or articles that the staff is delivering or carrying are subject to checking or examination by customs officers at the staff channel, egress/ingress channel or gate house when entering or leaving the restricted area.

Highlights of Immigration Clearance Operations

- The Immigration Department (ImmD) adopts different arrival and departure immigration clearance modes for different types of cruise vessels arising from their different operation modes. The types of cruise vessels can be broadly classified into “Port-of-call Cruises”, “Homeport Cruises” and “Cruises-to-nowhere”.

Port-of-call Cruises

- Overseas cruise vessels with next-port of call visiting Hong Kong in transit manner are classified as Port-of-call Cruises.

Arrival Immigration Clearance

- Depending on the preference of the shipping agents, ImmD offers two different modes of "Clearance on Board (COB)", namely overseas COB and local COB.

Overseas COB

- Under the overseas COB, ImmD sends a clearance team, on the request of the cruise vessel’s shipping agent, to the last port of call of the cruise vessel by air for boarding the cruise vessel. The arrival immigration clearance for the passengers and crew is conducted while the cruise vessel is sailing to Hong Kong and the clearance is completed before berthing at Hong Kong.

Local COB

- Under the local COB, ImmD sends a clearance team to board the incoming cruise vessel within Hong Kong waters near Junk Bay and the arrival immigration clearance for the passengers and crew is conducted while the cruise vessel is entering the Victoria Harbour for berthing.

Departure Immigration Clearance

- For departure immigration clearance of port-of-call cruise vessels, ImmD provides only one mode of COB by sending a clearance team to board the cruise vessels to perform the departure immigration clearance for the passengers and crew on board the cruise vessel.

Homeport Cruises

6 Cruise vessels operating overseas trips with Hong Kong as their homeport are classified as Homeport Cruises.

Arrival Immigration Clearance

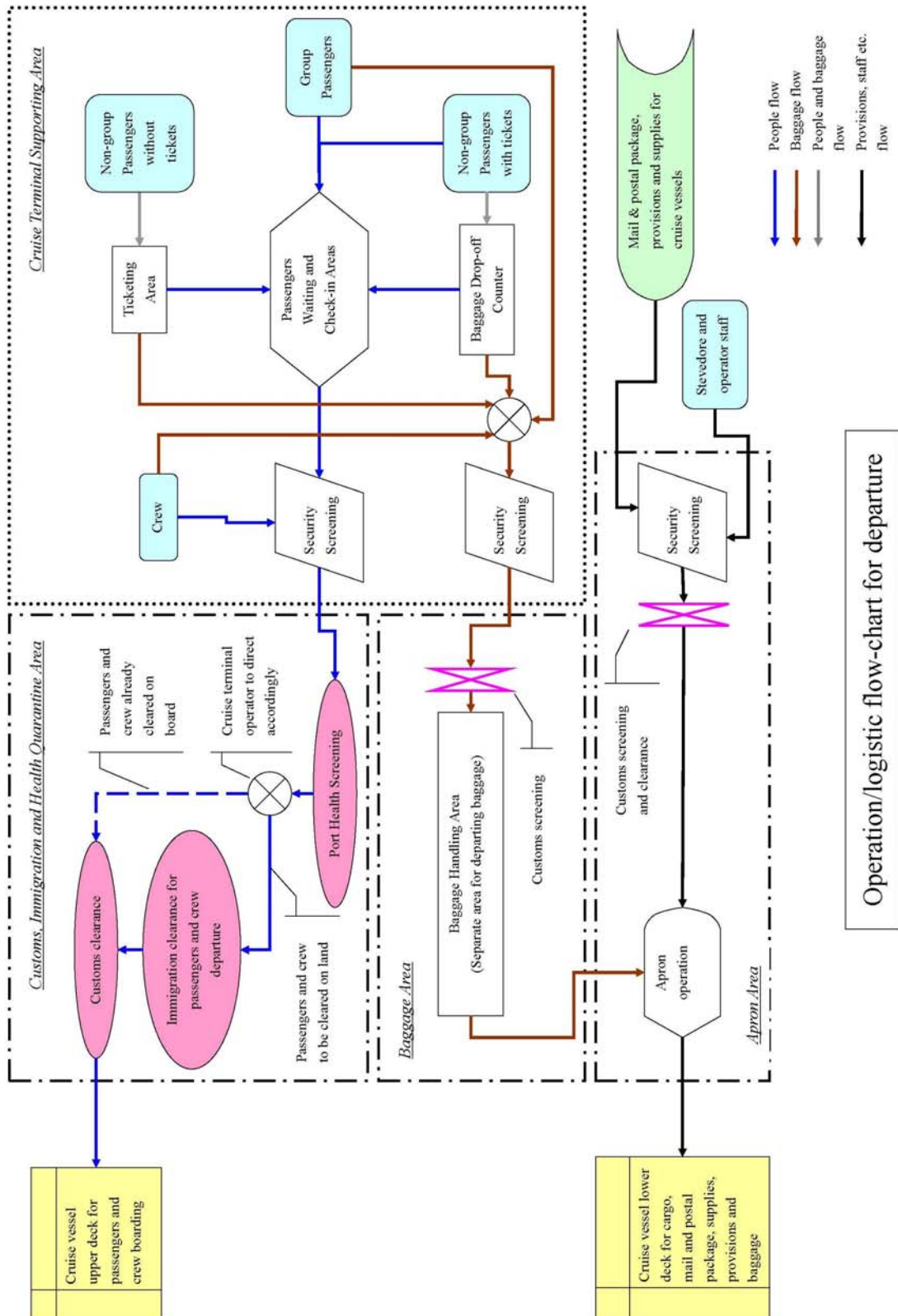
- For the arrival immigration clearance of Homeport Cruises, the local COB mode is adopted.

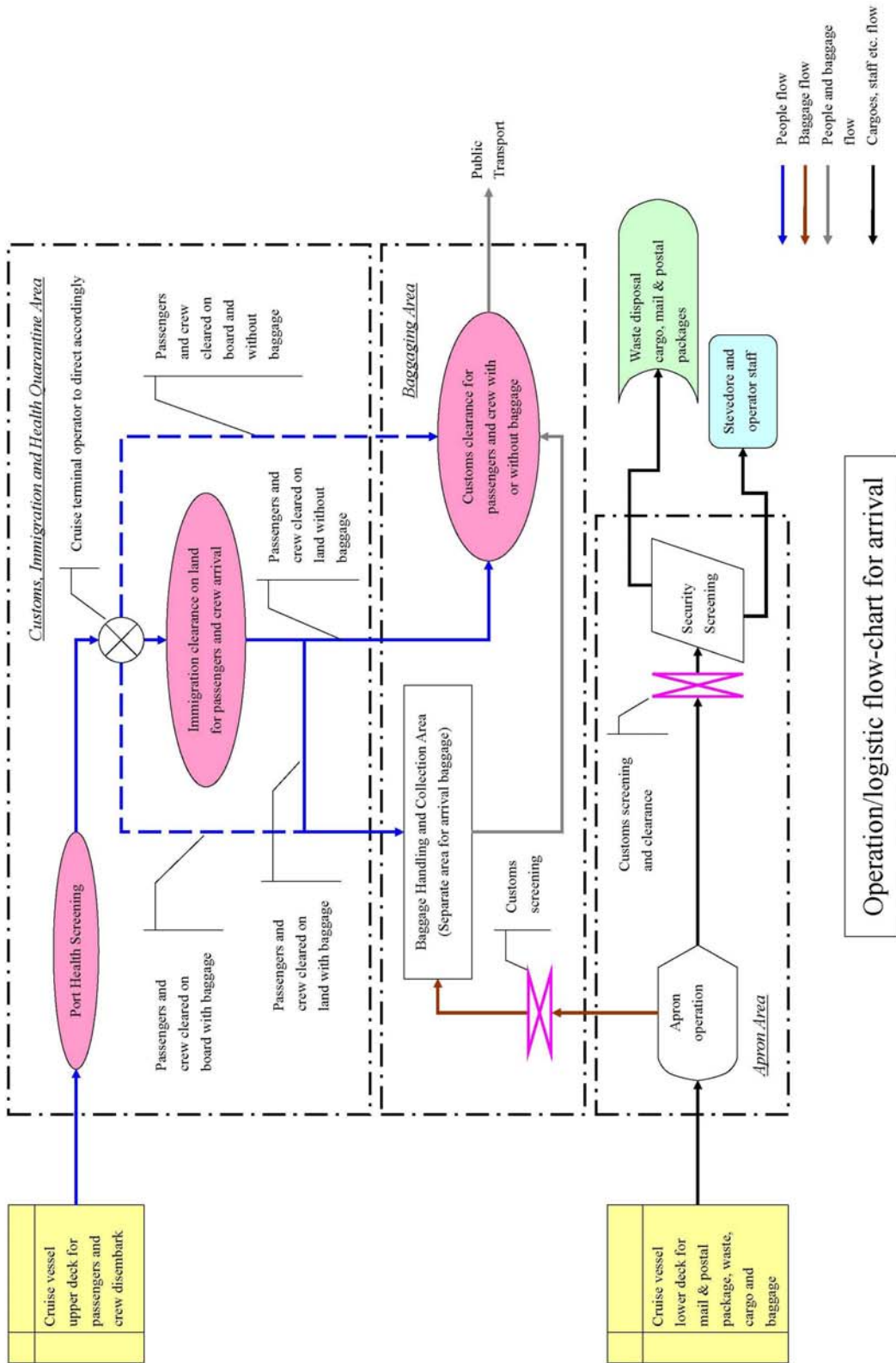
Departure Immigration Clearance

- For the departure immigration clearance of Homeport Cruises, the "Land-based Clearance (LBC)" mode is adopted, i.e. clearance is conducted at land-based immigration counters.

Cruises-to-nowhere

- Existing Cruises-to-nowhere are accorded different clearance modes for arrival and departure including COB, land-based mode or clearance at the Eastern Quarantine and Immigration Anchorage. In future, land-based clearance mode will be adopted when such vessels berth at the New Cruise Terminal for passenger/crew embarkation and disembarkation.





The Town Planning Board's Vision and Goals for Victoria Harbour

The Vision Statement

The Vision Statement sets out the Board's vision and goals for the Victoria Harbour, and its statement of intent on reclamation.

Vision

To make Victoria Harbour attractive, vibrant, accessible and symbolic of Hong Kong - a harbour for the people and a harbour of life.

Goals

1. To bring the people to the Harbour and the Harbour to the people.
2. To enhance the scenic views of the Harbour and maintain visual access to the harbour-front.
3. To enhance the Harbour as a unique attraction for our people and tourists.
4. To create a quality harbour-front through encouraging innovative building design and a variety of tourist, retail, leisure and recreational activities, and providing an integrated network of open space and pedestrian links.
5. To facilitate the improvement of the water quality of the Harbour.
6. To maintain a safe and efficient harbour for the transport of people and goods and for the operation of an international hub port.

The Harbour-Front Enhancement Committee's Harbour Planning Principles

Victoria Harbour and its Waterfront Areas Vision, Mission & Planning Principles

Victoria Harbour: Vision

To enhance Victoria Harbour and its harbour-front areas to become an attractive, vibrant, accessible and sustainable world-class asset: a harbour for the people, a harbour of life.

Victoria Harbour: Mission

To realize the vision of Victoria Harbour through effective and balanced utilization of land and marine resources having regard to the Harbour Planning Principles and subject to an open and transparent public engagement process.

Harbour Planning Principles

The Harbour Planning Principles were developed and are monitored by the Harbour-front Enhancement Committee as a set of guidelines for all individuals and organizations to facilitate the sustainable planning, preservation, development and management of Victoria Harbour and the harbour-front areas.

Preserving Victoria Harbour

Principle 1: Victoria Harbour must be protected and preserved for Hong Kong people and visitors as a special public asset, a natural and cultural heritage asset, and a driver for the creation of economic and social values.

Stakeholder Engagement

Principle 2: All sectors of the community must be engaged at an early stage and on an on-going basis in the planning, development and management of Victoria Harbour and its harbour-front areas through transparent and

inclusive consensus building processes.

Sustainable Development

Principle 3: The planning, development and management of Victoria Harbour and its harbour-front areas should embrace the principles of sustainable development to balance and cater for the economic, social and environmental needs of all sectors of the present generation, without compromising the needs of future generations.

Integrated Planning

Principle 4: Integrated and long-term planning, development and management of infrastructure, land and marine uses, and water quality is essential to ensure that Victoria Harbour and its harbour-front areas support and enhance the economic, environmental and social aspirations of Hong Kong.

Proactive Harbour Enhancement

Principle 5: The planning, development and management of Victoria Harbour must proactively enhance the harbour and its harbour-front areas as Hong Kong's symbol of urban design excellence and Hong Kong's brand identity to the international community.

Vibrant Harbour

Principle 6: It is essential to balance the use of the harbour to provide both a maritime and logistics hub for the safe and efficient passage of people and goods, and as a cultural and leisure facility. Both marine and land-side activities must cater to and balance with the aspirations of all sectors of the community.

Accessible Harbour

Principle 7: Victoria Harbour must integrate with the hinterland in a comprehensive manner, including ample unrestricted and convenient visual and physical access for pedestrians, preferably at grade, to and along the Harbour as well as the harbour-front areas.

Public Enjoyment

Principle 8: The planning, development and management of Victoria Harbour and its harbour-front areas should maximize opportunities for public enjoyment. Land required for and the impact from infrastructure developments, utility installations and land uses incompatible with the harbour planning principles should be minimized.

Proposed Scope of Work of the Market Consultation Forum

The proposed scope of work of the market consultation forum is as follows -

- (a) to discuss the key operation and management issues related to the new cruise terminal, including (but not limited to) the compliance with and any proposed changes to his performances pledges;
- (b) to consult the cruise market and tourism industry on proposed changes to arrangements for fees and charges and berthing slots allocation;
- (c) to discuss co-operation efforts with HKTB and the industry for marketing the facilities and services offered by the new cruise terminal;
- (d) to share with the cruise market and tourism industry regularly non-commercially sensitive information relating to the operation of the new cruise terminal; and
- (e) to discuss matters of common interests concerning development of the cruise market and inform the market of latest development/improvement plans for the new cruise terminal.

The successful bidder should upload gist of discussion of the forum to his website regularly.