

For 22 October 2007

Legislative Council Panel on Economic Development
Re-launching Ngong Ping 360

Purpose

This paper updates Members of the progress made in preparing for the smooth re-opening of the Ngong Ping cable car system.

New Management Regime

2. MTR Corporation Limited (MTRCL) has announced the new management of the Ngong Ping 360 Limited¹ (NP 360) on 27 September 2007. The new management is led by an international management team, which is comprised of local engineers and overseas experienced cable car professionals. The team is supported by four experienced cableway operators and engineers from Europe as well as a Safety and Quality Manager from the MTRCL to enhance daily operations and maintenance.

3. The new management team has identified three main priorities for the re-opening of the cable car system -

- (a) to ensure full implementation of the Government Expert Panel's² recommended improvements;
- (b) to strengthen overall management and raise the technical competency of staff; and
- (c) to build mutually-beneficial partnerships with stakeholders including Ngong Ping Village tenants, the Hong Kong Tourism Board, the tourism industry and the Lantau Island community to re-establish NP 360 and Lantau Island as must-visit destinations for visitors.

4. To meet these priorities, the management team is pressing ahead with the following eight activities step by step -

¹ Ngong Ping 360 Limited, a subsidiary of the MTRCL, was incorporated on 5 October 2007 to manage the operations of the Ngong Ping 360 cable car system.

² The Expert Panel was appointed by the Government on 15 June 2007 following the cabin dislodgement incident. Two internationally renowned independent ropeway experts, namely Prof. Dr. Gábor Oplatka and Prof. Dr. Josef Nejez, were appointed as the Panel Chairman and Vice-chairman respectively to conduct an investigation into the incident jointly with EMSD.

- (a) operations and maintenance staff to receive refresher training;
- (b) re-assessment of staff competence;
- (c) cabins put back on-line;
- (d) ropeway supplier to re-examine the cable car system;
- (e) re-testing and re-commissioning;
- (f) annual survey by independent surveyor;
- (g) reliability test; and
- (h) trial operation.

Latest Progress

5. The new management of NP360 has made progress in respect of the key activities, as summarized as follows -

Tasks completed

Key Activities	Progress	Remarks
(a) Refresher training for operations and maintenance staff	<ul style="list-style-type: none"> • First stage operations and maintenance training was completed in early October for putting cabins on line for the carrying out of tests. 	<ul style="list-style-type: none"> • Second stage operations and maintenance training for re-opening will commence in November. • Quality management and safety management systems have been developed. • The Safety and Quality Management Manuals have been issued. • Plans to implement the quality management and safety management systems are in place and training will be rolled out for the implementation.
(b) Re-assessment of staff competence	<ul style="list-style-type: none"> • First stage completed in early October. 	<ul style="list-style-type: none"> • All of the relevant personnel had successfully passed

		re-assessment by EMSD. • Second stage will be conducted in November.
(c) Putting back of the cable car cabins on the ropeway line to facilitate detailed inspection and re-testing of the system	<ul style="list-style-type: none"> • Completed in early October. • All damaged components have been replaced. • Before being moved out of the storage area, each cabin had been thoroughly checked and confirmed to be in good condition and working order. 	A structural inspection was also carried out by a Registered Structural Engineer.
(d) Re-examination of the cable car system	<ul style="list-style-type: none"> • Completed in early October. • The cabins, hauling and track ropes, and the alignment of the cable car system were checked comprehensively by both the NP360 Survey Team and the rope manufacturer. 	An independent ropeway surveying company has assessed the results and confirmed its satisfaction thereof.

Tasks expected to be completed in the next 2-3 months

Key Activities	Progress	Remarks
(e) Re-testing and re-commissioning	<ul style="list-style-type: none"> • Dummy loads are being used for testing. 	<ul style="list-style-type: none"> • EMSD is closely monitoring the progress.
(f) Annual survey by an independent surveyor	<ul style="list-style-type: none"> • An independent ropeway surveyor from Austria will be conducting an annual survey of the system as required under the Aerial Ropeways (Safety) Ordinance to verify the system's continuing safety and functionality. 	<ul style="list-style-type: none"> • The annual survey is expected to commence shortly and the results will be submitted to EMSD. • EMSD will closely monitor the progress.
(g) Reliability test	<ul style="list-style-type: none"> • The test will cover both system and operational aspects. System reliability 	EMSD will examine the test results, and if found satisfactory, will revoke

	<p>will be tested by using different load conditions and operating speeds.</p> <ul style="list-style-type: none"> • Other preparatory tasks such as drills and contingency tests will be performed after satisfactory completion of the reliability test. 	<p>the closure order issued under section 19 of the Aerial Ropeways (Safety) Ordinance.</p>
(h) Trial operation	<ul style="list-style-type: none"> • After satisfactory completion of the reliability test and necessary preparatory tasks, trial runs will be conducted with invited guests. 	<p>EMSD will closely monitor the process.</p>

Ngong Ping 360 Engaging Stakeholders

6. In appreciation of Ngong Ping Village tenants who continue to open during the suspension of the cable car services, NP360 has offered financial support to assist in the promotion of their products and services before the re-opening of the cable car system. NP360 will continue to maintain dialogues with tenants on further support after the re-opening.

7. To engage other stakeholders in paving the way for re-opening of the Ngong Ping cable car system, the new management of NP360 has met with the Hong Kong Tourism Board, trade partners, Po Lin Monastery and community members. NP360 has sought their support in working closely together to promote NP360 and Lantau Island as a must-visit destination for visitors.

Way Forward

8. Subject to progress made in implementing the various measures mentioned in paragraph 4 above, NP360 will endeavour to re-open the cable car system around the end of the year. It will keep the public informed of progress. MTRCL, as its parent company and franchisee of the cable car system, will continue to be accountable for its operation. EMSD will closely monitor the recovery process and has to be satisfied that all measures are in place to ensure safe operation before allowing the trial run to commence. The Tourism Commission will continue to coordinate with MTRCL, NP360 and the travel industry to prepare for the re-opening of the system.

Commerce and Economic Development Bureau
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