

Legislative Council Panel on Economic Development

PWP Item No. 736 CL –
Site formation for Kai Tak Cruise Terminal Development

PROPOSAL

We intend to upgrade **736CL** to Category A for carrying out the site formation works for the new cruise terminal comprising –

- (a) construction of about 1 100m long seawall;
- (b) construction of two alongside berths and necessary mooring and fender systems, including 850m long berthing structures and about 150m long associated transition structures at two ends, for berthing of cruise vessels;
- (c) provision of a 35m wide apron area along the berthing length including, as appropriate, interfacing provisions for installation of apron facilities by others;
- (d) dredging of about 86 ha of adjoining seabed to allow manoeuvring and berthing of cruise vessels with deep drafts; and
- (e) environmental mitigation measures including monitoring and audit programme for works mentioned in sub-paragraphs (a) to (d) above.

—— A plan showing the proposed works is at **Annex**.

2. We plan to start the site formation works in December 2009 for completion by December 2015, with the target to commission the first berth to receive cruise vessels in mid-2013.

JUSTIFICATION

3. The Government is committed to developing Hong Kong into a leading cruise hub in the region. According to the cruise market consultancy

study commissioned by the Tourism Commission earlier, Hong Kong would require an additional berth between 2009 and 2015, and one to two further berths beyond 2015. The timely development of new cruise terminal facilities is critical to the development of Hong Kong into a cruise hub in Asia. With the availability of new cruise terminal facilities and appropriate market strategies, it is estimated that the economic benefits brought by the cruise industry may range from \$1.5 billion to \$2.6 billion per annum and the additional jobs generated may be around 5 300 to 8 900 by 2023, depending on different growth scenarios.

FINANCIAL IMPLICATIONS

4. At the meeting of the Panel on Economic Development on 24 October 2008, we briefed Members that the estimated cost of the new cruise terminal project was about \$7.2 billion (at September 2008 price). We are in the process of developing the detailed design for the cruise terminal works and would be in a position to provide an updated cost estimate for the project after finalisation of the detailed design.

5. Subject to funding approval, we will deliver the works under standard re-measurement contracts, with provisions for price adjustments. We will also award an independent environmental checker consultancy to monitor the environmental mitigation measures adopted.

PUBLIC CONSULTATION

6. During public consultation under the Planning Review of Kai Tak Development, the relevant district councils and the general public were supportive of the early implementation of the Kai Tak Development, including the new cruise terminal.

7. The Civil Engineering and Development Department (CEDD) consulted the Traffic and Transport Committee of the Kwun Tong District Council and the Housing and Infrastructure Committee of the Kowloon City District Council on the proposed works on 7 and 28 June 2007 respectively. Both Committees supported the proposed works. The Eastern District Council was also consulted through submission of an information paper on 17 May 2007 concerning the seabed dredging works falling within the District. Members did not raise any objection to the proposed works. We gazetted the proposed works under the Foreshore and Sea-bed (Reclamations) Ordinance on 10 August 2007. One objection was received and was withdrawn

unconditionally after the Administration held discussion with the objector. The works were authorised on 27 December 2007.

8. At its meeting on 24 October 2008, we briefed Members of the Panel on Economic Development on the Government's decision to fund, design and build a new cruise terminal at Kai Tak for leasing to a cruise terminal operator for operation. Members had no objection to this development approach.

ENVIRONMENTAL IMPLICATIONS

9. The dredging works for the Kai Tak cruise terminal is a designated project under Schedule 2 of the Environmental Impact Assessment (EIA) Ordinance. CEDD conducted an EIA which concluded that the dredging works would not cause adverse environmental impact with the implementation of mitigation measures. The Director of Environmental Protection approved the EIA report for the proposed dredging works on 19 December 2007 and issued the Environmental Permit to CEDD on 2 February 2009.

10. The cruise terminal itself, other than the aforesaid dredging works, is not a designated project under Schedule 2 of the EIA Ordinance. However, it lies within the boundary of the planned Kai Tak Development which is a designated project requiring an EIA report under Schedule 3 of the Ordinance. The EIA report for Kai Tak Development was approved on 4 March 2009 under the EIA Ordinance.

11. For short-term impact caused by the works during construction, we will control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures under the works contracts. These measures include frequent watering of the site and provision of wheel-washing facilities to reduce emission of fugitive dust, the use of movable noise barriers and silenced plant to reduce noise generation, construction of temporary drains to dispose of site run-off, as well as other procedures recommended by the EIA reports.

12. We will include a sum in the project estimate for implementing environmental mitigation measures.

13. We have examined the design and construction method of the proposed works in the planning and design stages and have adopted measures to reduce the generation of construction waste, where possible. In addition,

we will require the contractor to reuse inert construction waste (e.g. excavated soil and rock fill) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste to public fill reception facilities¹. We will encourage the contractor to maximise the use of recycled or recyclable inert construction waste; and using non-timber formwork to further minimise the generation of construction waste.

14. We will also require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. We will ensure that the day-to-day operations on site comply with the approved plan. We will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities, and control the disposal of inert construction waste and non-inert construction waste to public fill reception facilities and landfills respectively through a trip-ticket system.

15. On completion of the detailed design, we will be able to provide an accurate estimate of the volume of construction waste generated by this project. We will endeavour to reuse the bulk of the inert waste on site. Surplus material will be delivered to public fill reception facilities for reuse in future.

16. We have found that of the 18 trees within the project boundary, 7 are dead. The proposed works will involve the removal of the remaining 11 trees, including felling of 3 *Leucaena leucocephala* (銀合歡). They are self-seeded trees that would affect the growth of indigenous species. We will transplant the remaining 8 within the project site. All trees to be removed or transplanted are not important trees².

¹ Public fill reception facilities are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

² An “important tree” refers to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria:-

- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui tree, tree as landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, trees growing in unusual habitat; or
- (e) trees with trunk diameter equal or exceeding 1.0 metre (measured at 1.3 metre above ground level), or with height/canopy spread equal or exceeding 25 metres.

HERITAGE IMPLICATIONS

17. The project will not affect any heritage sites, i.e. all declared monuments, proposed monuments, graded historic sites / buildings, sites of archaeological interests and Government historic sites, identified by the Antiquities and Monuments Office.

LAND ACQUISITION

18. The project will not require land acquisition or resumption. No major clearance works are anticipated.

BACKGROUND

19. We included **736CL** in Category B on 4 December 2008.

20. CEDD engaged a civil engineering consultant to commence in March 2009 the site investigation and detailed design for the project. The cost of site investigation works and the consultancy fees, at a total amount of \$18.6 million (in September 2008 prices), is charged to block allocation **Subhead 7100CX** “New town and urban area works, studies and investigations for items in Category D of Public Works Programme”.

ATTACHMENT

Annex – Plan No. KZ612

Tourism Commission
Commerce and Economic Development Bureau
May 2009