## Legislative Council Panel on Economic Development

## **Issues relating to the operation of the Ngong Ping ropeway**

#### Purpose

This paper updates Members on the operation of Ngong Ping 360 (NP360).

## Number of Visitors

2. NP360 is a popular attraction among family and young visitors. Since its re-opening on 31 December 2007 up to December 2009 (24 months), the total number of visitors has exceeded three million, of which local, Mainland and overseas visitors constitute 53%, 13% and 34% respectively.

3. In August and September 2009, NP360 conducted major maintenance works for the track rope for the first time and suspended the ropeway for six weeks. As a result, the total number of visitors in 2009 (1.4 million) was lower than that in 2008 (1.6 million). Discounting the six-week maintenance period, the daily average patronage in 2009 recorded a slight increase of 0.2%, as compared to 2008.

## Marketing

4. In 2009, to address the impact of the global financial crisis and human swine influenza, NP360 embarked on a series of promotions to attract visitors. The major ones included half-price offer for senior citizens in the last Chinese New Year, Shaolin Kung Fu Performance, launch of the Crystal Cabins, Ngong Ping Buddha's Festival Vegetarian Food Fair, Ngong Ping Drum Festival, International Cable Car Gallery, Night Ride for the Mid-Autumn Festival, and the "360 Year of the Tiger Pass" offering holders unlimited cable car rides in standard cabin. 5. In the past two years, NP360 has won a number of international and local awards, which reflects its growing popularity. The awards include:

2008	<ul> <li>Globe Award presented by the British Guild of Travel Writers</li> <li>Outstanding Website Award of the Entertainment Category, presented by Web Award of Web Marketing Association</li> <li>Gold Award - Marketing Media - Website Category, presented by Pacific Asia Travel Association</li> </ul>
2009	<ul> <li>Certification of ISO9001 received by NP360's Cable Car Operations Department</li> <li>Gold Award, Internal Support Service and Bronze Award, Outstanding Customer Service Programme, presented by Hong Kong Association for Customer Service Excellence</li> <li>Hong Kong Awards for Industries: Environmental Performance Certificate of Merit, presented by Business Environment Council</li> <li>1st Runner Up, People Management Awards, presented by Hong Kong Institute of Human Resource Management</li> <li>Top 10 Hong Kong Consumer Brands, presented by China Post</li> <li>Prime Award for Corporate Social Responsibility, presented by Prime Magazine</li> </ul>

# **Reliability of Ropeway Operation**

6. All along, the Government and NP360 attach great importance to the reliability of the ropeway operation. NP360 has implemented a series of measures to ensure reliability. In 2008 and 2009, it achieved a reliability rate of over 99%, which reflects a very high standard of performance internationally.

7. The Cable Car Operations Department of NP360 received ISO Certification in April 2009, which is a further confirmation of its quality management. Moreover, the Electrical and Mechanical Services Department (EMSD) also monitors the operation of the Ngong Ping ropeway closely.

## Maintenance Support

8. NP360's ropeway maintenance arrangements include routine maintenance as recommended by the ropeway manufacturer, the 11-day annual examination and shortening of hauling rope, as well as the 40-day track rope shifting works. These arrangements ensure proper maintenance and enhance the reliability of the ropeway.

9. Besides, NP360 also engages ropeway experts to conduct independent inspections from time to time. Seven inspections were conducted in 2009, covering the ropeway system, the associated ropes and annual examination for the system, to ensure continuous improvement of ropeway performance and to maintain a high level of reliability.

## **Reporting Mechanism**

10. According to the current notification mechanism, NP360 will inform the public through the electronic media if cable car service is expected to be delayed or suspended for 30 minutes or more. It will also inform passengers through the announcement system inside the cable car cabins and notify the tour groups that have made bookings to ensure that visitors affected are aware of the latest situation. The MTR Corporation (MTRC) will also broadcast the message at the Hong Kong Station, Lai King Station and Tung Chung Station, as well as put up notices in various MTR stations. In addition, according to the requirements as stipulated in the Aerial Ropeways (Operation and Maintenance) Regulations, the controller of the ropeway shall forthwith report to EMSD any major incident happened within the site of the ropeway, e.g. incident involving the death of or injury to any person occurring within the site of ropeway, failure of the main drive, etc.

11. Before NP360 commenced service in September 2006, EMSD had established a reporting mechanism with NP360 to monitor the operation and maintenance of the ropeway. In accordance with the established reporting mechanism, NP360 is required to, within 30 minutes of occurrence, inform EMSD verbally of any incident stipulated in the Aerial Ropeways (Operation and Maintenance) Regulations, as well as other incidents due to equipment breakdown that may affect the safe operation of the ropeway system, including breakdown of rescue carrier. The verbal report should be followed by a written report within 24 hours.

12. During the rescue drill in the evening of 18 November 2009, a rescue carrier collided with the tower of the ropeway system and was damaged. NP360 informed EMSD of the incident on 20 November 2009 (i.e. two days after the incident). It had failed to follow the above reporting mechanism.

## **Improvement Measures**

13. EMSD issued a warning letter to Ngong Ping 360 Limited on 11 December 2009 reiterating the need to comply with the established mechanism for making incident reports to EMSD. Moreover, EMSD has reviewed the reporting mechanism implemented since 2006, and, in exercise of its power under the Aerial Ropeways (Operation and Maintenance) Regulations, clearly spelt out the requirement that the ropeway controller should notify EMSD of any incident relating to the rescue carrier. Any person who contravenes the requirement will be legally liable for the non-compliance.

14. NP360 has fully briefed all relevant staff members to ensure strict compliance with the reporting requirements as stipulated by EMSD. It undertakes to pay full regard to and comply with all statutory requirements at all times.

15. As NP360 is a subsidiary company of MTRC, EMSD also requested MTRC to strengthen the monitoring of NP360 in order to improve the latter's performance.

16. EMSD will continue to monitor the operation and maintenance of the Ngong Ping ropeway to maintain the ropeway service at a reliable and high standard.

Tourism Commission Commerce and Economic Development Bureau February 2010