

LCQ7: Management of the Kai Tak Cruise Terminal

Following is a question by the Hon Michael Tien and a written reply by the Secretary for Commerce and Economic Development, Mr Gregory So, in the Legislative Council today (May 7):

Question:

The first berth of the Kai Tak Cruise Terminal (KTCT) was commissioned in June 2013, and the terminal was once described by Departures magazine, a US lifestyle magazine, as "the Rolls-Royce of cruise terminals". According to the estimation of the Government, the cruise industry will bring economic benefits which range from \$1.5 billion to \$2.6 billion a year, and generate 5 300 to 8 900 additional jobs by 2023. The Government has also pointed out that the number of berthings of cruise vessels at KTCT will reach 26 this year, bringing some 130 000 cruise visitors. Yet, since its commissioning, KTCT has been showered with negative reports, including coaches being required to pay gate fees before they are allowed to enter the terminal to pick up visitors, inadequate ancillary transport facilities for travelling to other areas and mismanagement on the part of the terminal operator (the operator), etc. In this connection, will the Government inform this Council:

(1) whether it knows the following information about the cruise vessels berthing at the Ocean Terminal in Tsim Sha Tsui in each of the past five years (set out in table form):

- (i) visitor arrivals;
- (ii) visitor departures; and
- (iii) the number of berthings;

(2) whether it knows the following information about KTCT from June 2013 to date (set out in table form):

- (i) visitor arrivals;
- (ii) visitor departures;

- (iii) the number of berthings of cruise vessels;
- (iv) average occupancy rate of retail shops;
- (v) attendance of the KTCT Park; and
- (vi) average monthly utilisation rate of KTCT's carpark;

(3) as some members of the public have pointed out that the current means of public transport for commuting to and from KTCT are one green minibus route, one bus route (providing service only on holidays) and taxis only, and that the traffic signs within KTCT are unclear, whether it has found out the causes for these issues from the operator; whether the authorities will formulate measures to improve the ancillary transport facilities concerned;

(4) whether it knows the respective numbers of free and hourly parking spaces currently available in KTCT; whether the authorities will consider requiring the operator to provide free pick-up/drop-off points for coaches; if they will, of the number;

(5) given that various problems, such as water leakage in the terminal building and long queues of visitors embarking had occurred in the terminal building when the first berth was commissioned last year, water leakage in the terminal recurred last month, there are no eateries and Wi-Fi service inside the terminal building, and the construction works of some facilities in the roof garden of the terminal building have not been completed yet, of the authorities' measures in place to resolve such problems before the commissioning of the second berth in July this year; and

(6) whether it has any plan to develop hotels and large shopping malls in the vicinity of KTCT to divert mainland visitors under the Individual Visit Scheme from the urban areas; if it has, of the details; if not, the reasons for that?

Reply:

President,

My reply to the six parts of the question is as follows:

(1) (i), (ii) and (iii)

The relevant information on cruise vessels berthing at the Ocean Terminal in Tsim Sha Tsui in each of the past five years is set out in the attached table.

(2) (i), (ii) and (iii)

As at mid-April this year, there were a total of 21 ship calls at the Kai Tak Cruise Terminal (KTCT) since its commissioning in June last year. The total passenger throughput at the KTCT is 47 000 arrivals and 46 000 departures.

(iv) The ancillary commercial areas of the KTCT, measuring about 5 600 square metres, are mainly located at both ends of the second floor of the terminal building. There are also three shops on the rooftop park. These ancillary commercial areas are managed by the terminal operator. The commercial areas at both ends of the second floor have been fully leased out. A high-end retail shop with in-store counters for various brands will operate at one end of the commercial areas while a catering company will take over the other end to operate a Chinese restaurant and other eateries. The tenants are carrying out design and fitting out works, and they expect to commence business operation by phases from mid-2014 onwards. A wedding service company has taken up one of the shops at the rooftop park. Except for two remaining shops at the rooftop park, the ancillary commercial areas have been fully leased out.

(v) The Kai Tak Cruise Terminal Park (the Park) has gradually gained popularity since opening in mid-October last year, with more visitors going to the Park in the morning (around 9.30am to noon) and in the afternoon (around 3pm to 5pm) on

Saturdays and Sundays. The visitor volume peaks on Sundays, averaging an estimate of about 8 000 visitors on Sundays.

(vi) As for parking facilities, there are 40 coach bays for pick-up/drop-off on the ground floor of the terminal building. A fee-charging public carpark on the first floor of the terminal building provides 120 parking spaces for private cars. According to the statistics for April this year provided by the terminal operator, the average utilisation rate of the carpark for private cars ranges from 20 per cent to 40 per cent.

(3) There are signages and traffic signs inside the KTCT. The terminal operator also deploys staff to give directions to visitors and drivers. During major events or berthing of cruise vessels with higher visitors flow, additional staff will be deployed by the terminal operator, cruise companies or event organisers to direct traffic and assist in crowd control to ensure the safe and smooth operation of the terminal and traffic arrangements. The terminal operator will also review the current provision of signages and add more signs as appropriate.

As regards public transport, a green minibus route (No. 86) operates a daily service between the KTCT and Kowloon Bay. Also, the Kowloon Motor Bus (KMB) operates a recreational route (No. 5R) running between the KTCT and Ngau Tau Kok/Kwun Tong MTR Stations during Sundays and public holidays. On days with special events (e.g. the floating book fair of Logos Hope in April this year), the KMB and the green minibus will increase services as necessary. Individual event organisers will also make special traffic arrangements by providing shuttle bus services for participants. The actual patronage figures of the green minibus and the KMB recreational route indicate that the services can cope with the current demand. We will liaise with public transport service operators to step up public transport services having regard to the increase in visitor

flow to the KTCT and its surrounding areas.

(4) As mentioned in Part (2), the KTCT provides 40 coach bays for pick-up/drop-off. Coaches may use these bays at no charge for pick-up/drop-off on days when there is no cruise vessel berthing at the KTCT.

The primary consideration for the design of the KTCT is to facilitate cruise operation and passenger flow. It is the responsibility of the terminal operator to ensure the safe and smooth flow of traffic and visitors at the KTCT. In this connection, the terminal operator has implemented special traffic management measures during berthing days, including charging gate fees, to control the number of coaches entering the KTCT at the same time. This measure is not applicable on days when there is no cruise vessel berthing at the KTCT.

The terminal operator explained the abovementioned special traffic arrangements to the coach trade in the middle of last year, and will listen to the views of the parties concerned. The terminal operator will consider the current coach fee arrangement during berthing days as well as explore other measures in the light of actual circumstances.

(5) As is the case of other newly completed major infrastructures, the terminal operator and relevant parties need time to resolve initial teething problems after commissioning. Generally speaking, international cruise companies are positive about the KTCT's facilities and services. The terminal operator will continue to enhance the services of the terminal and ancillary facilities to maintain safe and smooth operation after the second berth commences operation later this year. Regarding the areas for improvement raised in the question, my reply is set out below:

At present, the outstanding minor works at the terminal building and rooftop park are mainly minor beautification works for the waiting halls on the second floor; fitting-out

works by the tenant of the ancillary commercial areas; waterproof and drainage improvement works at the rooftop park; and escalator improvement works to facilitate visitors to access the ancillary commercial areas. The shops and restaurants (retail shops and eateries) in the ancillary commercial areas are expected to be open in phases from the middle of this year onwards.

Due to a heavy rainstorm under the black rainstorm signal in May last year, water leakage occurred in some parts of the terminal building. The remedial works and water tightness tests are substantially completed. The remedial works have withstood the test of adverse weather in late March this year and proved satisfactory in general, and there remain only a few individual spots of leakage, which the Architectural Services Department is closely following up.

Free Wi-Fi service is available at the baggage halls on the ground floor, the waiting halls on the second floor and rooftop park of the terminal building under the Government Wi-Fi Programme (GovWiFi). Signals at certain parts of the park may be weaker as the Wi-Fi devices covering the park are installed at both ends. The relevant department has followed up the signal problem.

A relatively long queue of passengers appeared during the embarkation for a short time on October 29, 2013. It was because some Mainland tour groups that came to Hong Kong by batches reached the KTCT later than the agreed schedule. As a result, the cruise company had to process a large number of passengers within a short period of time. The cruise company had subsequently stepped up liaison with travel agents to encourage cruise passengers to embark the vessel by batches according to the scheduled timetable. The embarkation arrangements have subsequently improved significantly.

(6) To attract more high value-added visitors to Hong Kong,

the Government is identifying feasible ways to gradually release six sites within the "hotel belt" at the southern end of the former Kai Tak Airport runway to the market starting from end of next year (i.e. 2015). Lying adjacent to the KTCT and facing the Victoria Harbour, these prime sites within the "hotel belt" have considerable potential for developing into a premier hotel cluster that offers five-star accommodation, gourmet food and entertainment facilities. In addition, the Development Bureau is pressing ahead with the Kai Tak Fantasy - International Ideas Competition on Urban Planning and Design, with a view to developing a spectacular world-class tourism, entertainment and leisure hub to attract both local and overseas visitors.

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