

**For information**

**Legislative Council Panel on Economic Development  
Updates on the Kai Tak Cruise Terminal**

**Purpose**

This paper updates the Panel on the operation and latest development of the Kai Tak Cruise Terminal (“KTCT”).

**Operation and Business Development of the KTCT**

2. Since the KTCT came into operation in June last year, as at early May this year, the KTCT has received a total of 22 cruise vessels. The terminal operator is responsible for co-ordinating the berthing operations. At the initial stage of operation of the terminal, relevant departments also provided on-site support to the terminal operator to ensure smooth operation. Looking back at the past berthings, the operations of the KTCT were generally smooth.

3. The number of cruise berthings at the KTCT is anticipated to be 27 this year and is expected to grow continuously. The Royal Caribbean Cruises announced in late June that its Voyager of the Seas would homeport at the KTCT for over 20 sailings between July and October 2015. The itineraries of these sailings will cover ports in Taiwan, Japan, South Korea and Vietnam, etc. This will cause an increase in the number of berthings at the KTCT in 2015 to about 50, which is nearly twice the number of 2014. The Royal Caribbean Cruises also announced that it would set up an office in Hong Kong to oversee its sales business in Hong Kong. This decision is undoubtedly a vote of confidence from an international cruise company in favour of Hong Kong as well as the KTCT.

**Updates on the KTCT Facilities**

4. The KTCT is provided with ancillary commercial areas of about 5 600 metre squares, which are located mainly at both ends of the second floor of the terminal building. In addition, there are three shops at the Kai Tak Cruise Terminal Park (“the rooftop park”) on the rooftop of the terminal building. These commercial areas are managed by the terminal operator.

The commercial areas at both ends of the second floor have been leased out. At one end, there will be a high-end retail shop with in-store counters for various brands. The tenant at the other end is a food and beverage company, which will operate a Chinese restaurant and other eateries. As for the commercial areas at the rooftop park, one of the shops is leased to a marriage registration service company that provides wedding services. The tenants of the commercial areas on the second floor are carrying out design and fitting out works and they are expected to commence business operations by phases from this summer onwards. As for the remaining two shops at the rooftop park, which are suitable for catering and other uses, the terminal operator will arrange leasing later.

5. The rooftop park has been open to public since mid-October last year. It has gained popularity among local visitors and tour groups. Quite a number of organisations have hosted community activities at the park, including community planting activity, school picnics, inter-school drawing competition, etc.

6. The terminal building and the first berth commissioned in June last year, and can accommodate the existing largest cruise vessels in the world. The second berth is expected to commence operation within this year and can accommodate normal-sized cruise vessels. After the Hong Kong and China Gas Company Limited completes the diversion works for the existing submarine gas pipes underneath the Victoria Harbour and the onshore gas pipes in Kowloon, relevant department will carry out the remaining seabed dredging works for the second berth so that it will also be able to accommodate the world's largest cruise vessels.

### **Transport Arrangements of the KTCT**

7. We attach great importance to the transport arrangements of the KTCT, and have been maintaining close communication with as well as giving advice to the terminal operator and the relevant departments so as to continuously improve the transport arrangements of the KTCT. Given that the KTCT needs to handle a large number of cruise passengers within a short period of time, support by different modes of transportation are necessary. Taxi services as well as other transportation services of high passenger carrying capacity are needed. In this connection, the terminal operator and cruise companies have arranged various shuttle bus routes for cruise passengers. The terminal operator will continue the practice of giving prior notification to the taxi trade on the berthing schedules one day before the ship calls, as well as informing taxis to go to the terminal for picking up cruise

passengers via taxi call centres in the morning of ship call days. Drawing on the experience from the longer waiting time for taxis by passengers of Queen Mary 2 on April 2, the terminal operator will meet with the taxi trade before the next round of ship calls in September 2014 to encourage more taxi drivers to go to the KTCT. The terminal operator will also step up efforts to disseminate information on the available transport services as well as anticipated waiting time for taxis both on board the cruise vessels and inside the KTCT to facilitate cruise passengers plan for their journeys.

8. At present, daily green minibus service running between the KTCT and Kowloon Bay is provided. The Kowloon Motor Bus Company Ltd. also operates a recreational bus route between the KTCT and Ngau Tau Kok/Kwun Tong MTR stations during Sundays and public holidays. The number of local visitors to the KTCT is expected to increase when the ancillary commercial areas of the KTCT open for business by phases from this summer onwards. Relevant departments will closely monitor the situation and liaise with the public transport operators, and will step up services having regard to the increase in visitors flow.

### **Events Held at the KTCT**

9. The terminal operator is actively developing non-cruise businesses and has utilised the space of the KTCT for hosting a variety of events, including car shows, “Cruise Holiday Expo”, christening ceremony of container ship, brand promotion activities, berthing of floating book fair “Logos Hope”, “Construction Safety Week 2014: Zero Accident Flag Presentation Ceremony”, “WorldSkills Hong Kong Competition”, etc. Various future events are under planning. An overview of events held at the KTCT is tabulated at Annex.

### **Promoting Hong Kong as a Cruise Hub**

10. Among the cruise ports, collaboration is far more important than competition. It is important for cruise ports to work together to develop attractive itineraries. To this end, we are actively conducting overseas publicity and stepping up collaboration with other ports. For instance, representatives of the Tourism Commission, the Hong Kong Tourism Board (HKTB) and the terminal operator attended the “Cruise Shipping Miami” in March 2014. On the other hand, the HKTB, together with the Taiwan tourism authorities, launched the world’s first “Asia Cruise Fund” in April 2014. The Fund pools together financial incentives from participating ports to support cruise companies in developing and marketing cruise products,

with a view to enhancing the attractiveness of itineraries in Asia-Pacific to cruise companies. Also, the HKTB is an active participant and sponsor of the Cruise Shipping Asia-Pacific, a large-scale cruise industry event to be held in Hong Kong in November 2014. The event will gather major international cruise companies, tourism promotion organisations, port management authorities, cruise terminal operators and trade representatives to exchange views on cruise development in the region.

## **Conclusion**

11. The commissioning of the KTCT has provided impetus to the development of the cruise industry and related sectors in Hong Kong. The decision of Royal Caribbean Cruises to deploy cruise vessels to homeport in Hong Kong underscores the international cruise companies' positive feedback on the prospect of Hong Kong cruise industry as well as the services and facilities of the KTCT. We expect to see a continuous growth in the number of ship calls at the KTCT. We will pay attention to and closely monitor the performance of the terminal operator and strive to enhance the services and relevant ancillary facilities of the KTCT.

## **Advice sought**

12. Members are invited to note the latest development of the KTCT.

**Tourism Commission  
Commerce and Economic Development Bureau  
July 2014**

**Events Held at the Kai Tak Cruise Terminal**

<b>Names of Events</b>	<b>Date</b>
Car shows	August & September 2013
Cruise Holiday Expo	September 2013
Christening ceremony of a container ship	November 2013
Community Planting Day	December 2013
Promotion event of a Cognac brand	March 2014
Hong Kong Streetathon 2014 (Pick up/drop-off points for event participants provided at the Kai Tak Cruise Terminal)	March 2014
Berthing of floating book fair “Logos Hope”	April 2014
Promotion activity by Hong Kong Jockey Club	April 2014
Construction Safety Week 2014: Zero Accident Flag Presentation Ceremony	May 2014
Car show	May 2014
WorldSkills Hong Kong Competition 2014	June 2014
Hong Kong Dome Festival 2014 (Support and pick-up/drop-off points for event participants provided at the Kai Tak Cruise Terminal)	July 2014

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