The Government today (September 25) uploaded the proposed framework for a Service Agreement governing the operation and management aspects of the new Kai Tak cruise terminal onto the Tourism Commission's website (www.tourism.gov.hk) for public comment. The service agreement will ensure delivery of the pledges of the two aspects.

A government spokesman said this was part of a continuous market engagement process in shaping the proposed development parameters for the new cruise terminal since the Government's announcement of the way forward last October.

Since October, 2006, the Government has been actively engaging relevant stakeholders in formulating the development parameters and requirements for a world-class cruise terminal. "Based on the market feedback, we prepared some proposed development parameters and uploaded them onto the Tourism Commission's website in April, 2007, for comments. A summary of the comments received and a revised proposal were subsequently uploaded to the Tourism Commission's website last month (August)," the spokesman said.

"To facilitate the monitoring of the services of the new cruise terminal, we set out in the August proposal the Government's intention to require the successful bidder to enter into a Service Agreement with the Government in respect of their performance pledges for the operation and management of the new cruise terminal. For this purpose, we have prepared a proposed framework of the Service Agreement and uploaded this today (September 25) for further market and public engagement. The Service Agreement will be co-terminous with the land lease."

It will, inter alia, require the successful bidder to -

- 1. Seek Government approval of changes in the project team members in managing the new cruise terminal during initial operation;
- 2. Implement the service pledges on operation and management aspects proposed by the successful bidder:
- 3. Make available to the public throughout the term of the lease certain information to enhance the transparency of the operation and management of the new cruise terminal;

and

4. Organise a market consultation forum to engage the cruise market and tourism industry as an ongoing effort, and assist the Hong Kong Tourism Board and the tourism industry in promoting Hong Kong as a regional cruise hub.

"We will continue our engagement with the market and public on the project, specifically on the obligations of the successful bidder under the Service Agreement. The Government will take into account public and market views in preparing for the coming tender exercise for the new cruise terminal," the spokesman said.

Comments should be addressed to the Tourism Commission by October 10 through the following channels –

By mail to : Tourism Commission

2/F, East Wing, Central Government Offices

Lower Albert Road Central, Hong Kong

By fax to : (852) 2801 4458

By e-mail to : <u>cruise@cedb.gov.hk</u>

Enquiry : (852) 2810 2555 / 2810 2770

Ends/25 September 2007