

**CONTROLLING OFFICER'S REPLY**

**THB(T)399**

**(Question Serial No. 7241)**

Head: (708) Capital Works Reserve Fund - Capital Subventions and Major Systems and Equipment

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Director of Highways (K K LAU)

Director of Bureau: Secretary for Transport and Housing

Question:

Regarding Subhead 8003QR, all along the Government has only revealed various figures associated with the funding for the construction of the Hong Kong-Zhuhai-Macao Bridge (HZMB), but not the specific information on the financing of the project. Please provide information on:

- (a) the proportion of the loan borne by Hong Kong;
- (b) the latest outcome of the discussions among the governments of Hong Kong, Zhuhai and Macao on the operational arrangements of the HZMB upon its commissioning, including the determination of the toll levels for various types of vehicles and the arrangements for commercial vehicles such as coaches, taxis, etc. to use the HZMB; and
- (c) the toll revenue from the HZMB and the maintenance and operational costs for the HZMB Main Bridge.

Asked by: Hon Gary FAN Kwok-wai (Member Question No. 18)

Reply:

According to Rule 49 of the Finance Committee Procedures, special meetings of the Finance Committee are convened to examine the annual Estimates of Expenditure prepared by the Government in support of the Appropriation Bill. Expenditure charged to the Capital Works Reserve Fund does not form part of the Appropriation Bill. As such, questions relating to expenditure under the Fund are not relevant to the examination of the Estimates of Expenditure or the Appropriation Bill. Nonetheless, the information sought is provided below:

- (a)&(c) The project cost of the HZMB Main Bridge is RMB38.1 billion. According to the agreement of the governments of Guangdong, Hong Kong Special

Administrative Region (HKSAR) and Macao Special Administrative Region (Macao SAR) on the construction, operation, maintenance and management of the HZMB, the Mainland side will contribute RMB7 billion, the HKSAR Government will contribute RMB6.75 billion and the Macao SAR Government will contribute RMB1.98 billion. The total contributions from the three sides will be RMB15.73 billion, whilst the remaining cost will be financed by loans. The contribution of the Hong Kong side of HKD9.28 billion (in money-of-the-day prices) was approved by the Finance Committee of the Legislative Council in 2009. The operational income of the HZMB will be used to repay the bank loans and operational expenses including the maintenance cost after commissioning.

- (b) To fully realise the economic and transport benefits of the HZMB, the three governments agree to provide different modes of cross-boundary (CB) transportation on the HZMB. For commercial passenger transport services, there will be CB shuttle buses, CB coaches and CB hire car services. The CB shuttle buses will provide a frequent feeder service to enable passengers to efficiently and conveniently travel between the boundary control points of Hong Kong and Zhuhai, and between Hong Kong and Macao. The CB coach service will provide services for CB passengers with fixed schedules and stopping points. The CB hire car service will provide personalised point-to-point CB transport services. Taxi is not a type of CB vehicle. They are not allowed to use the HZMB according to the CB transport arrangements agreed by the three governments.

As regards to tolls of the HZMB, the three governments are studying and discussing the matter. Announcement will be made once the toll levels are finalised. The three governments agree that the following considerations should be taken into account in setting the toll levels for the HZMB –

- (i) the HZMB is a public infrastructure;
- (ii) tolls collected will be used for repayment of the principal and interest of the loan, as well as settlement of the operation, maintenance and management fees of the HZMB Main Bridge;
- (iii) the vehicular flow of the HZMB and the affordability of vehicle owners; and
- (iv) tolls shall be set as low as practicable to boost traffic flow.

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