



The Hong Kong  
Shippers'  
Council  
香港付貨人委員會



Willy Lin  
Chairman

## Bridging Hong Kong and Mainland China closer together

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Two very recent topics of great interest for logistics industrialists in Hong Kong, and the Asia Pacific region, are the Lantau Tomorrow project, which was announced by the Chief Executive in her Policy Address 2018, and the opening of the Hong Kong-Zhuhai-Macau Bridge on October 23, 2018.

There are quite diverse opinions regarding these two projects. I wish to concentrate my comments on the possible impact of the two projects to the Hong Kong trading and logistics industry.

Apart from the obvious environmental issue, transport is certainly a major concern regarding the Lantau Tomorrow project. Some cited the bitter experience of Lantau Island, especially for access to the ever-busy Chek Lap Kok (CLK) Airport, when a barge hit the Kap Shui Mun Bridge in 2015, causing major closure of the Tsing Ma Bridge and stoppage of land traffic between Lantau Island and the rest of Hong Kong. Those citing this incident cautioned that the same thing might happen again to the artificial islands of the Lantau Tomorrow project.

No one, of course, could rule out all accidents. However, if we look at the design layout plan, we can see that the artificial islands would be linked to Hong Kong Island in the east, and Lantau Island in the west and the north. The danger of isolation is much less with multiple linkages. Indeed, the linkages, except the one in the north, are all very short. Travelling time between Hong Kong Island

and the islands could be less than 10 minutes, and even shorter for the linkage to the west. The west linkage will connect to CLK Airport, and then the Hong Kong-Zhuhai-Macau Bridge to western part of the Pearl River Delta. And, through the Tuen Mun-Chek Lap Kok Link, to the northern shore line of the New Territories and the Guangdong Province through the Shenzhen Bay crossing.

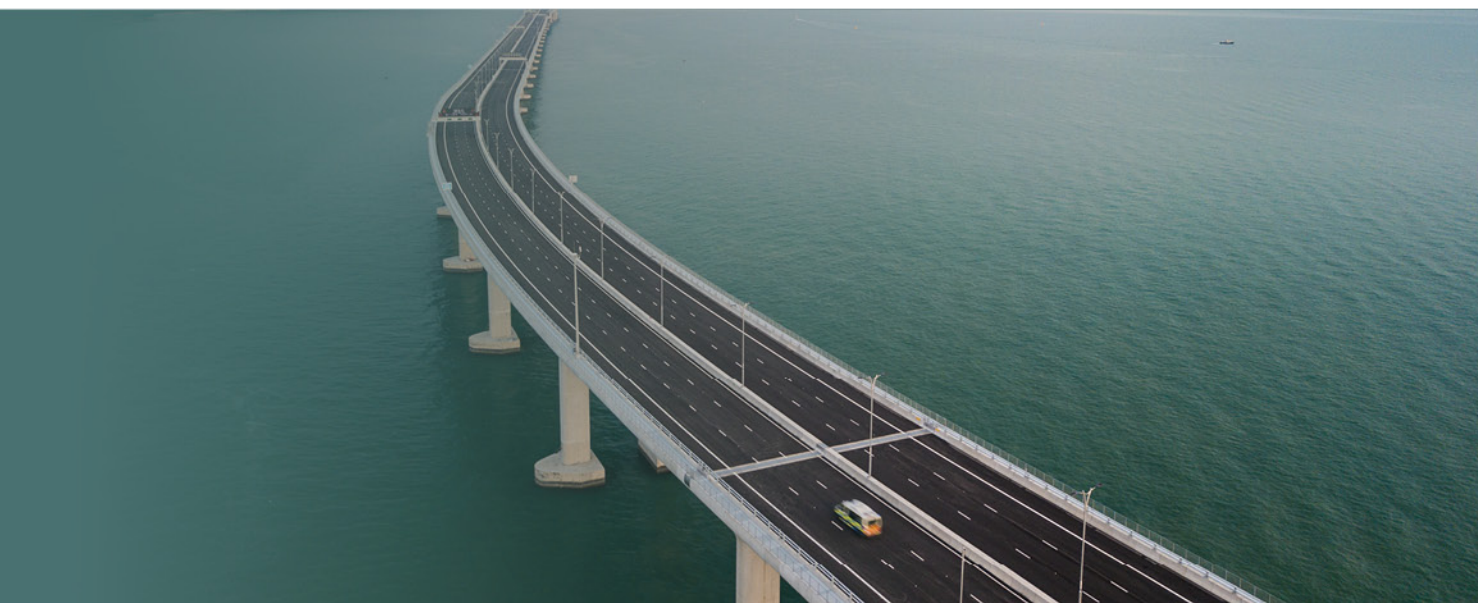
The linkage to the north is also important as it will connect to the western part of the New Territories. It provides a much quicker access to the new development areas of Hung Shui Kiu, Yuen Long and Western Tuen Mun. These are poised to become major development commercial and residential areas in the next few decades.

The road links will provide critical improvement to the layout of the whole Hong Kong transport system. Furthermore, it will provide the desirable diversion and new traffic systems, and will benefit both passenger and cargo traffic. Overall, traffic efficiency would be greatly enhanced.

As Chairman of The Hong Kong Shippers' Council, I must reiterate the importance of connectivity, ease of access, and good infrastructure. These are core of good logistics, which is critical for maintaining competitiveness of Hong Kong's trading and logistics activities.

Likewise, the Hong Kong-Zhuhai-Macau Bridge is important. Some critics said that the project would be a white elephant.





However, history tells us that those comments are often found to be too short-sighted. We have heard similar comments regarding Hong Kong International Airport, the Shenzhen Bay Crossing, and even the MTR project when the idea was first raised in the 1970s.

However, passenger and cargo mobility has increased rapidly in the past few decades, and the trend is expected to continue. We need fast and easy access, for whatever short, medium and long distance travel, and carriage of goods.

Therefore, I wholeheartedly support the Guangdong-Hong Kong-Macau Greater Bay Area concept and strategy, as it will allow Hong Kong industries to extend into a much bigger geographically area, with more choices and opportunities in seeking partnerships and cooperations. Physical connectivity is essential and critical for realisation of the strategy.

Regarding the Hong Kong-Zhuhai-Macau Bridge, I recalled that when the subject was first raised quite a few years ago, an important consideration supporting the bridge was to provide Hong Kong an extra land connection to the Mainland not only limited to the north, but also to the west to essentially form a loop. Again, using the Kap Shui Mun Bridge incident in 2015 as an evidentiary example, we should understand how important an extra connection could be.

In a sense, Hong Kong is no longer a “dead end” as far as a connection to the mainland

is concerned. For safety, mobility, and connectivity, the bridge is important.

Furthermore, I see many opportunities for enhancing Hong Kong logistics efficiency with the bridge. It could strengthen Hong Kong's position as distribution hub for cargo into and out of the Greater Bay Area, and particularly the western Pearl River Delta (PRD). It will facilitate efficient carriage of inbound e-commerce cargoes, fresh produces, seafood, cut flowers, other perishable cargo, and time sensitive cargo. These cargoes are among the fastest growing sectors in the industry.

Manufacturing in the PRD is transforming from traditional labour-intensive to higher capital-intensive, technology, and value types. Cargoes are more time-sensitive and time-critical and they require airfreight services. This means that Hong Kong, the world's busiest air cargo hub, will surely benefit from this.

In other words, the bridge will give

Hong Kong an advantage in extending its hinterland to the western PRD. The e-commerce boom is expected to continue. Both sellers, buyers and consumers want quick delivery and the bridge is going to save critical time.

Reform of the Hong Kong air cargo regime is imminent as we need to meet the International Civil Aviation Organisation deadline of June 2021 in phasing out the current Regulated Agent Regime. This requires extensive and substantial cargo screening activities. Considering the acute land and labour shortage problem that Hong Kong is encountering, I can envisage that more cargo consolidation activities will eventually be carried out in the western part of the PRD and that there will be much more cargo shuttling between the two areas. The bridge could provide relief to challenges that Hong Kong needed to overcome.

I look forward to a much more vibrant Hong Kong transport and logistics system in the future.

