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Panel on Transport

Subcommittee on Matters Relating to Railways
Meeting on 22 November 2013

**Updated background brief on the implementation of the
Hong Kong section of the Guangzhou-Shenzhen-Hong Kong
Express Rail Link project**

Purpose

This paper provides background information on the Hong Kong section ("HKS") of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project. It also updates the latest implementation progress of the project and summarises the major views and concerns expressed by members during previous discussions of the Subcommittee on Matters Relating to Railways ("the Subcommittee") on the implementation progress of HKS of XRL project.

Background

2. XRL is an express rail of a total length of about 140 km linking up Hong Kong with Guangzhou via Futian and Longhua in Shenzhen and Humen in Dongguan. Its terminus in Guangzhou will be located at Shibi, the centre of the Guangzhou-Foshan metropolitan area. The Mainland section of XRL will start from Shibi and enter Hong Kong via Huanggang.

3. HKS is approximately 26 km long, which will be an underground railway running from the boundary at Huanggang to West Kowloon Terminus ("WKT") located at the north of the West Kowloon Cultural District, and between the Airport Express Kowloon Station and the West Rail Austin Station.

4. As regards the funding arrangement of the project, the Administration submitted the following funding applications to the Finance

Committee ("FC") for approval -

- (a) the construction of the railway works (at an estimated cost of \$55 billion in money-of-the-day ("MOD") prices);
- (b) the construction of the non-railway works (at an estimated cost of \$11.8 billion in MOD prices); and
- (c) special ex-gratia payments in relation to HKS of XRL (at an estimated cost of \$86 million).

5. The funding applications for the construction of the railway and non-railway works of HKS of XRL were approved by FC at its meeting on 16 January 2010. The Administration entered into an entrustment agreement with the MTR Corporation Limited ("MTRCL") on 26 January 2010 for the construction and commissioning of XRL project. Construction works then started in end January 2010 for completion in 2015.

6. The alignment plans of HKS and the Mainland section are at **Appendix I(a) and (b)** respectively and a chronology of major developments of HKS of XRL is at **Appendix II**.

Monitoring mechanism

7. According to the Administration, the Director of Highways, being the controlling officer responsible for XRL project, leads a high-level inter-departmental Project Supervision Committee ("PSC"). The Committee holds monthly meetings with MTRCL and the related Government departments to review project progress, monitor procurement activities, post tender award cost control and resolution of contractual claims. PSC also provides steer on any matters that would affect the progress of XRL project.

8. When seeking FC's approval for the funding applications for the railway and non-railway works of XRL project in January 2010, the Administration undertook to report regularly to the Subcommittee on the construction of HKS of XRL. The progress reports should be submitted at six-month intervals and the scope and issues to be covered in the half-yearly reports, which should include the progress update of the construction works of XRL and its financial situation.

9. To date, the Administration has submitted 7 reports informing the Subcommittee the progress and financial situation of the construction of

HKS of XRL.

Concerns and views of the Subcommittee

Clearance of Choi Yuen Tsuen ("CYT")

10. The Subcommittee members were concerned about the assistance available to the affected CYT villagers who had submitted agricultural resite applications. The Administration advised that about 20 applications for agricultural resite had been received and 10 villagers had been verified as genuine farmers. Heung Yee Kuk, the Lands Department and the Agriculture, Fisheries and Conservation Department would also assist CYT villagers in identifying suitable sites for relocation of farming activities. In November 2010, the Administration announced that the phased clearance of CYT had been completed smoothly.

Impact on building structure in Tai Kok Tsui ("TKT") district

11. At the Subcommittee meeting on 6 July 2010, MTRCL advised that it was necessary to conduct condition surveys for the 19 buildings in TKT to record the current conditions of the buildings. Of the 19 buildings affected by strata resumption, condition surveys for common areas of 16 buildings and around 450 (out of some 3 000) units had been completed. The survey reports were then delivered to the respective Incorporated Owners and individual owners. A summary of the building impact assessment report covering the 19 buildings had also been distributed to owners of these buildings, and the full report was made available at XRL Information Centre in New Kowloon Plaza for inspection. Briefing sessions had been held for residents to help them understand the content of the report with professional advice and assistance rendered by the Hong Kong Institution of Engineers. Some members suggested that TKT residents should be given a choice in the selection of professionals to conduct condition surveys for their own buildings in order to boost their confidence in such surveys. These members also suggested that the procedures for claiming damages under the Railways Ordinance (Cap. 519) should be streamlined to facilitate processing of claims.

12. According to MTRCL, monitoring points have been established in TKT and around Hoi Wang Road to monitor conditions of nearby buildings before and after the tunnelling works. During the construction period, XRL Community Liaison Officers and Project Team made visits to the community to explain details of the works to address their concerns.

Employment opportunities for local workers

13. The Subcommittee members stressed the need to accord priority to the employment of local workforce in implementing the project. According to the 7th half-yearly report for the period ending 30 June 2013, about 8 500 construction workers and technical / professional staff were employed for the construction and electrical and mechanical works for the tunnels and the WKT. It was estimated that the figures would increase and reach its peak in 2013 and 2014.

Possible delay in works and over budget

14. At the Subcommittee meeting on 24 May 2013, because of the media's report that the progress of XRL project might be delayed and over budget, members generally showed grave concerns over whether the Administration and MTRCL were able to complete the project as scheduled. The Administration advised that they had been working closely with the parties concerned to ensure that XRL works would be completed as scheduled in 2015. As regards the report that the amount of \$4.6 billion out of \$5.4 billion of the project contingencies had been claimed, the Administration explained that unforeseeable ground conditions was the major reason for the substantiated claims; and that the progress of the foundation and site formation works had been affected by the conditions. They had, however, already earmarked provisions for the unforeseeable situations in the course of construction. The Administration further stated that while any monetary claim had to be substantiated, the final compensation agreed was usually different from the amount claimed. The Administration suggested that according to current projections, the amount claimed could be fully covered by project contingencies.

Co-location arrangement

15. At a few of the Subcommittee meetings held between 2010 and 2013, some members enquired about the latest progress of the arrangements for co-location of immigration and customs facilities at HKS of XRL. During the Subcommittee meeting on 24 May 2013, the Administration advised that because co-location arrangement for XRL involved complex legal and constitutional issues, they had been negotiating with the Mainland authorities on necessary arrangements for commissioning of XRL. They would report to the Legislative Council in a timely manner once agreement had been reached.

Legislative Council questions

16. To express concerns over the impact of the construction works of HKS of XRL on neighbouring areas, Hon CHEUNG Hok-ming raised a question at the Council Meeting of 30 November 2011. Hon Claudia MO also asked a question on the impact of the works on underground facilities and buildings in TKT at the Council meeting of 19 December 2012. Hon Frederick FUNG showed concerns about the works progress and co-location arrangement at HKS of XRL and raised Council questions on 29 May and 23 October 2013 respectively. These questions and the Administration's replies are attached at **Appendix III** for members' reference.

Recent developments

17. The Subcommittee conducted a site visit to the construction sites of the WKT of HKS of XRL and the Shek Yam to Mei Lai Road tunnel section on 24 June 2013 to better understand the progress of the works. In October 2013, the Transport and Housing Bureau submitted its 7th half-yearly report. The Administration was requested to brief the Subcommittee the latest progress of XRL project at its next meeting on 22 November 2013.

Relevant papers

18. A list of relevant papers is at **Appendix IV**.

Council Business Division 1
Legislative Council Secretariat
13 November 2013



圖則名稱 drawing title

廣深港高速鐵路香港段中線方案

CENTRAL ALIGNMENT SCHEME FOR HONG KONG SECTION OF XRL

高鐵工程進度(內地段)

Express Rail Link Work Progress (Mainland Section)



Chronology of major developments of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link project

- In 2000, the Guangzhou-Shenzhen-Hong Kong Express Rail Link project ("XRL") (formerly named Regional Express Line) was first recommended for implementation under the Railway Development Strategy 2000.
- In March 2005, it was agreed XRL would have its termini at West Kowloon of Hong Kong and Shibi of Guangzhou, with intermediate stations at Longhua of Shenzhen, and Humen of Dongguan.
- In July 2005, the then Kowloon Canton Railway Corporation recommended 2 alignment options for the Hong Kong section ("HKS") of XRL: namely, building a new dedicated rail track from the West Kowloon Terminus to the boundary ("the Dedicated Corridor Option") or sharing the tracks of the Kowloon Southern Link, the West Rail Line ("WRL"), the proposed Northern Link and a new rail track to the boundary ("the Shared Corridor Option").
- In January 2006, having considered the financial aspect, the potential impact on WRL service and the patronage forecast based on the planning assumptions at that time, the Chief Executive-in-Council ("CE-in-Council") decided that HKS of XRL should proceed on the basis of the Shared Corridor Option.
- Subsequently, several planning changes were made to the Mainland's section of XRL bearing significant implications to the choice of corridor option for HKS -
 - possible increase in the long-haul train services;
 - addition of a new XRL station at Futian, Shenzhen connecting to a newly proposed Rapid Transit System rail line; and
 - Ministry of Railway's requirement to deploy wider train cars up to 3.4 m wide for XRL.

As a result, if the Shared Corridor Option was to be adopted, the increase in XRL patronage and train frequency would saturate WRL corridor shortly after the opening of XRL.

In addition, the deployment of new train cars of up to 3.4 m-wide for XRL would conflict with the platform configurations of 3 WRL Stations, which

were designed for train cars no more than 3.1 m wide. This would necessitate modification of the platforms concerns and the works would take about 3 years with each affected platform closed for 6 months.

- On 17 April 2007, in view of the above and the effectiveness of the Dedicated Corridor Option in connecting with the national railway network, CE-in-Council decided that the Dedicated Corridor Option should be adopted in-principle for HKS of XRL.
- On 2 August 2007, the Chief Executive ("CE") announced the decision of adopting the Dedicated Corridor Option after the Tenth Plenary of the Hong Kong/Guangdong Co-operation Joint Conference.
- On 22 April 2008, CE-in-Council decided to invite the MTR Corporation Limited to proceed with further planning and design of HKS of XRL. On 8 July 2008, the Finance Committee ("FC") approved the funding for the design and site investigation of HKS of XRL.
- In October 2008, CE announced the proposed HKS of XRL as one of the 10 major infrastructure projects. The railway scheme was gazetted under the Railways Ordinance on 28 November and 5 December 2008. Detailed design commenced in January 2009.
- On 20 October 2009, CE-in-Council approved the implementation of HKS of XRL project and the Administration's recommendation to seek funding approval from FC so that the construction of the project could start before the end of 2009 for commissioning in 2015.
- At the meeting of the Public Works Subcommittee ("PWSC") on 3 December 2009, the funding proposals for HKS of XRL project and the special ex-gratia rehousing package were endorsed by PWSC.
- On 16 January 2010, the relevant funding proposals were approved by FC.
- In June 2010, the Administration submitted the 1st half-yearly report for the period between 16 January and 30 June 2010, which was discussed at the Subcommittee meeting on 6 July 2010.
- In March 2011, the Administration submitted the 2nd half-yearly report for the period between 1 July and 31 December 2010, which was discussed at the Subcommittee meeting on 20 May 2011.
- In September 2011, the Administration submitted the 3rd half-yearly report for the period between 1 January and 30 June 2011.
- In April 2012, the Administration submitted the 4th half-yearly report for

the period between 1 July and 31 December 2011.

- In October 2012, the Administration submitted the 5th half-yearly report for the period between 1 January and 30 June 2012.
- In May 2013, the Administration submitted the 6th half-yearly report for the period between 1 July and 31 December 2012, which was discussed at the Subcommittee meeting on 24 May 2013.
- In October 2013, the Administration submitted the 7th half-yearly report for the period between 1 January and 30 June 2013, which will be discussed at the Subcommittee meeting on 22 November 2013.

Press Releases

LCQ12: Construction works of the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link

Following is a question by the Hon Cheung Hok-ming and a written reply by the Secretary for Transport and Housing, Ms Eva Cheng, in the Legislative Council today (November 30):

Question:

Since the MTR Corporation Limited (MTRCL) commenced the tunnelling works for the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) last year, quite a number of residents in the villages have relayed to me that MTRCL conducts tunnel blasts regardless of night or day in order to meet deadlines, and the villagers are disturbed by the noise nuisance and are unable to sleep at night. Such villagers have also pointed out that because of the vigorous blasting works, vertical cracks appear on the walls of the village houses in the vicinity of the construction sites, gaps are found between the external walls of the houses and the ground, settlement in buildings and falling groundwater tables are detected, and other serious problems also prevail. Regarding the progress and safety issues of the XRL project, will the Government inform this Council:

(a) of the latest progress of the XRL project;

(b) whether it has assessed and measured the intensity of shock generated by the tunnel blasting works concerned in respect of three aspects, namely the extent of damages made to the affected buildings on the ground, changes in topography and people's feelings; if it has, of the details; if not, the reasons for that; and whether it will make public the findings as soon as possible after making the assessment and measurements; and

(c) whether it knows the total number of complaints received since the commencement of the works by the authorities and MTRCL about the problems caused to the buildings and the topography in the vicinity of the construction sites as a result of the impact of the XRL project, the problems concerned and the measures taken to deal with them?

Reply:

President,

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

(a) Construction works for the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) commenced in January 2010 and are progressing smoothly. Foundation works for the West Kowloon Terminus are substantially completed, while various related construction works in Yau Tsim Mong, Sham Shui Po, Kwai Tsing, Tsuen Wan and Yuen Long, en-route areas of the railway alignment, have started successively. As the Hong Kong section of the XRL runs in a dedicated tunnel throughout, the

tunnels are built mainly by using tunnel boring machines (TBMs) and the drill and blast method. We have briefed the relevant district councils on the construction methods of the tunnels. We also keep liaising with the relevant communities on the works arrangement in the light of progress of the drilling and blasting works.

On tunnel boring, the first TBM was activated in September 2011 and has bored through 80 metres so far. Separately, tunnel drilling and blasting works in Tsuen Wan commenced in November 2010, while those in Kwai Tsing and Yuen Long began in 2011 gradually.

It is expected that civil works (including tunnel drilling and blasting) for the main tunnel will be completed in 2013 and the Hong Kong section of the XRL will be completed in 2015 as scheduled.

(b) We will do our best to minimise the impact of the works on the public during the construction of the XRL project.

As early as the project design stage, we carried out careful and comprehensive assessments on the geological conditions and structures in the vicinity of the works areas to ensure that the construction works and the methods employed would not affect the structural safety of nearby structures. In addition, we conducted an environmental impact assessment as required under the Environmental Impact Assessment Ordinance on the Hong Kong section of the XRL, in which the environmental impact during the construction and operation of the railway was carefully evaluated and corresponding mitigation measures were proposed.

In the course of the drilling and blasting works, the MTR Corporation Limited (MTRCL) and their contractor will stringently implement various safety measures and codes of practice concerned, and will strictly observe all relevant legislation and requirements, including the mitigation measures specified in the Environmental Permit for alleviating environmental impact. Also, the MTRCL and their contractor have installed monitoring points to oversee the works by checking such relevant data as measurements on noise and vibration, with a view to monitoring the impact of the works on the adjacent environment and structures for enhancing public safety and minimising environmental impact.

Every time when blasting works are carried out, the airflow and vibration caused will be measured at both ends of the tunnel and nearby monitoring points. Up to now, the data recorded, including those on airflow and vibration, have not exceeded the corresponding statutory ceilings or jeopardised the structural safety of adjacent buildings. The noise generated during the works has not gone beyond the relevant statutory limit either.

During construction, the MTRCL and their contractor will try to minimise the impact of works on the neighbourhood, and maintain close contact and communication throughout with residents concerned by such measures as giving explanation to relevant dwellers, owners' committees / corporations, village representatives, district councillors and local communities and addressing their concerns; organising community liaison group

meetings; distributing XRL Newsletters and pamphlets on tunnel drilling and blasting works; and arranging site inspections for district councillors and local personalities to inspect the works and be briefed by engineers on the works procedures and safety measures taken.

(c) We have so far received 80 reports on damage to relevant land lots and buildings suspected to have been caused by the works. Upon receipt of such reports, the MTRCL and their contractor will visit the damaged lots or buildings within one working day to conduct investigation. If the damage is proved to have been caused by the works, repairs will be carried out as soon as possible; if proved otherwise, the MTRCL will also inform the clients of the investigation results. On some occasions, the MTRCL will, at the request of the clients, refer the cases to notaries public for objective and fair arbitration to safeguard the interests of local residents.

Ends/Wednesday, November 30, 2011
Issued at HKT 12:15

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Press Releases

LCQ15: Impact of construction works of Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link on structure of nearby buildings

Following is a question by the Hon Claudia Mo and a written reply by the Secretary for Transport and Housing, Professor Anthony Cheung Bing-leung, in the Legislative Council today (December 19):

Question:

Earlier on, some residents in Tai Kok Tsui found numerous cracks on the piles on the lower floors and the ground level of their buildings, and they suspected that these cracks were related to the boring works of the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL), which were being carried out in the vicinity of their buildings. Some registered building surveyors have confirmed upon site inspections that the cracks on some of the piles of the buildings were formed recently because of the impact of external forces. The MTR Corporation Limited (MTRCL) is currently investigating whether the formation of the cracks is related to XRL works, and it will prepare survey reports in this regard. These residents have indicated that the cracks on the buildings have made them nervous and panic and they worry that there are problems with the structure of the buildings, which pose potential risks to life and property. In this connection, will the Government inform this Council:

(a) whether, prior to the commencement of XRL works, the Buildings Department, the Highways Department and other relevant government departments had assessed in detail the impact of XRL works on underground facilities and buildings on the ground; if they had, of the assessment outcome; if not, the reasons for that;

(b) whether it will request MTRCL to complete expeditiously and make public the survey reports for reference of and follow-up by the public; if it will, of the arrangements; if not, the reasons for that;

(c) of the total number of complaints received so far by the authorities and MTRCL about building structure being affected by XRL works as well as the contents of the complaints; and

(d) whether the authorities have any new measures to reduce in future the chance of recurrence of incidents of infrastructure works affecting the structural safety of buildings?

Reply:

President,

In January 2010, the Government entrusted the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong

Express Rail Link (XRL) to the MTR Corporation Limited (MTRCL). The main tunnels along the urban sections of the XRL project are built with the use of tunnel boring machines (TBMs). The two TBMs for excavating the Mei Lai Road to Hoi Ting Road tunnel commenced operation in February and April 2012 respectively, drilling in the north and south directions from the junction of Sham Mong Road and Hing Wah Street West, Sham Shui Po. Operating beneath Sham Mong Road and under Fu Cheong Estate and Nam Cheong Estate, the south-bound TBM conducted tunnelling works in the Tai Kok Tsui (TKT) area smoothly between mid-September and mid-November 2012, and is on its way towards Yau Ma Tei.

My reply to the four parts of Hon Mo's question is as follows:

(a) The Government and the MTRCL attach great importance to the impact of the XRL project on the structural safety of nearby community facilities and buildings. At the design stage, the MTRCL had appointed qualified professionals to prepare the works plans and submitted such plans to the Government for vetting after conducting geological assessments and developing monitoring plans. The Highways Department and the Civil Engineering and Development Department, together with the other relevant departments, had scrutinised these plans with regard to building, structural and geotechnical works according to the requirements under the Buildings Ordinance and relevant legislation.

In addition, the MTRCL had carried out detailed pre-construction investigation on the geology at the tunnel site and its surroundings apart from thorough inspection of the relevant plans and records. The impact during construction on underground facilities and the buildings above the railway tunnel and in the vicinity had also been evaluated, including an assessment on the existing conditions of the buildings on the ground and the impact of the tunnelling works on their structural integrity, and from which the most prudent methodology for implementation and appropriate preventive procedures had been devised. Moreover, the MTRCL had separately appointed professionals to review the assessment results to ensure that all the works were in line with the best international practices currently in use. According to the assessment results, the tunnelling works would not affect the structural integrity of the buildings.

Prior to the commencement of the works, the MTRCL will, after obtaining the consent of relevant owners, conduct condition survey for the buildings near the railway alignment to record the existing conditions of the buildings and install sufficient monitoring points around the site boundary to monitor the impact of the tunnelling works on the overall structural integrity of the buildings in the neighbouring areas, with a view to ensuring safety and compliance of the works with the design and statutory requirements.

(b) During railway construction, upon receipt of reports from owners / occupiers on issues in their flats / buildings allegedly caused by the XRL works, the MTRCL will contact the owner/occupier concerned within one working day to arrange joint site inspection by the project team, staff of its contractors and the owner/occupier. During the inspection, the related

conditions will be recorded and professional assessment conducted. To safeguard the interests of both parties, the case may be referred to an independent loss adjuster if necessary. After site inspection and examination of the case, the loss adjuster will conduct an assessment and the results of which will be provided to the owner / occupier and the MTRCL in writing.

Since September this year, the loss adjuster has been following up on the complaint cases raised by TKT residents who suspected that the cracks in their buildings might be caused by the XRL works. After site inspection and examination of various information, the loss adjuster found no evidence pointing to the XRL works as the cause for the formation of the cracks in the buildings concerned, and have been sending written replies to the relevant residents since late November 2012 on the findings of the assessment.

To further address the concerns of the residents over the structural safety of buildings, the MTRCL had appointed an independent professional registered structural engineer to inspect the cracks in the buildings concerned and their structural integrity. The structural engineer confirmed the overall structural safety of the buildings concerned and in late November 2012 provided the inspection report to the incorporated owners, which would inform the relevant owners of the results.

(c) As at December 10, 2012, the Government and the MTRCL received a total of 18 complaints about impact allegedly caused by the XRL works in the TKT area, concerning cracks found in buildings, structures, flats and shops or minor ground settlement. Thus far, investigation results showed no evidence pointing to the XRL works as the cause for the formation of the cracks in or settlement of the buildings concerned.

(d) The Railway Development Office of the Highways Department, the MTRCL and its contractors have been closely watching the monitoring data since the commencement of the XRL tunnelling works. The monitoring data collected in the TKT area by the MTRCL indicate that there is no abnormal ground settlement and confirm the overall structural safety of the buildings, structures and other facilities around the works areas. Construction safety remains the prime concern of the MTRCL. It will continue to keep a close watch over the monitoring data of the works together with its contractors.

Ends/Wednesday, December 19, 2012
Issued at HKT 12:00

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Press Releases

LCQ16: Works progress of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

Following is a question by the Hon Frederick Fung and a written reply by the Secretary for Transport and Housing, Professor Anthony Cheung Bing-leung at the Legislative Council today (May 29):

Question:

At the special meetings of the Finance Committee of this Council held in the past few years to examine the Government's Estimates of Expenditure, I had raised questions time and again on the works progress of the Project to construct the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL Project), and whether there had been any delays or difficulties unforeseen at the design stage, etc. The Government replied that it had all along been closely monitoring the works carried out by the MTR Corporation Limited (MTRCL) to ensure that the works of the Project were of good quality, would be completed as scheduled and would not exceed the approved project estimate. The Government also advised that "there have been no signs of cost overrun or major delay" for the XRL Project. However, it has recently been reported in the press that there have been severe delays in some of the works of the XRL Project, resulting in the delay of the completion date by one and a half year, and a contractor putting forward claims exceeding \$1.55 billion for the additional expenses caused by the delays. In this connection, will the Government inform this Council whether:

(a) it has assessed if the situation as reported above is consistent with the authorities' replies to me; if the assessment result is in the affirmative, of the justifications; if the assessment result is in the negative, of the reasons for that, and whether the situation involves MTRCL knowingly not reporting the truth, and ineffective monitoring on the part of the Project Supervision Committee, which is chaired by the Director of Highways and is tasked with monitoring the XRL project; and

(b) it will require MTRCL to truthfully and comprehensively report on the latest progress of the XRL Project (including whether there have been delays and/or cost overrun and the relevant causes); of the expected completion date and estimated total expenditure of the XRL Project according to the latest progress; if there is expected delay in the completion date, whether the authorities have assessed the impact of such a situation on the economy of Hong Kong and on the transport in the districts concerned?

Reply:

President,

My consolidated reply to the two parts of Hon Frederick Fung's questions is as follows:

The Government has entrusted the design and construction of

the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) to the MTR Corporation Limited (MTRCL). The XRL project commenced construction in January 2010, and all its major contracts for civil works and electrical and mechanical (E&M) works have been awarded. The target completion date is in 2015. As at end-March 2013, over 70 percent of the excavation works under the XRL project, including those for the tunnels and the terminus, have been completed. The excavation works at the southern end of the terminus have reached level B4, and the main structures for the first two underground levels have been completed. According to the MTRCL's latest assessment, it remains our target to complete the construction of the XRL project in 2015.

Given the scale of the XRL project, an inter-departmental Project Supervision Committee (PSC), chaired by the Director of Highways, has been established. The PSC holds regular meetings with the MTRCL and the relevant Government departments to monitor the implementation and financial status at various levels (including reviewing project progress, and overseeing procurement activities, cost control and contractual claims), and provides the MTRCL with guidance on matters that affect the progress of the XRL project.

In addition, the Highways Department has employed an engineering consultant to assist in project monitoring and verification, and the auditing works cover different aspects such as construction safety, technical, system programming, management procedures, works progress, financial status, etc. The handling of contractual claims by the MTRCL will also be examined.

All major contracts for civil engineering and E&M works under the XRL project have been awarded, with a total value of \$44.812 billion. As at end-March 2013, the cumulative expenditures were \$24.418 billion.

In the course of infrastructural works, it is quite common for the contractors to encounter situations that are more difficult than expected. If extra time is required or alternative construction methods and machinery have to be employed as a result, the MTRCL will handle the matter in accordance with the contract terms. The overall impact of various options on the project will be carefully assessed, and if considered reasonable, additional payment will be made to the contractors under the relevant contract terms. Provision has been earmarked in the project funding for unforeseeable situations during construction. The contingencies reserved for the XRL project is about \$5.4 billion at 2009 prices.

The Government has been closely monitoring the implementation of the railway project to ensure that it is completed on schedule, within the approved project estimate and to the required quality of works. We will continue to work closely with all parties concerned to make sure that the construction of the XRL project will be completed within budget and on time.

Ends/Wednesday, May 29, 2013
Issued at HKT 12:00

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Press Releases

LCQ21: Co-location arrangements at the Hong Kong Station of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

Following is a question by the Hon Frederick Fung Kin-kee and a written reply by the Secretary for Transport and Housing, Professor Anthony Cheung Bing-leung, in the Legislative Council today (October 23):

Question:

The Chief Executive promised in his election manifesto that his government would expeditiously conduct a feasibility study on the implementation and operational model of an arrangement to co-locate immigration and customs facilities for both the Mainland and the Hong Kong Special Administrative Region (co-location arrangements) at the Hong Kong Station of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL). The expected commissioning date of the Hong Kong Section of XRL is just over two years away, but the Government has not yet released any study findings so far. In this connection, will the Government inform this Council:

(a) given that the authorities have indicated that a task force has been set up to study the implementation of the co-location arrangements at the West Kowloon Terminus of XRL, of the latest progress of the study undertaken by the task force as well as the timetable for the completion of the study and the announcement of proposals; of the details of the various feasible models being studied at present and the technical or legal problems involved; whether the scope of the study includes the granting of permission for the law enforcement agencies of the Mainland to take law enforcement actions within the territory of Hong Kong; if so, whether it has gauged if Hong Kong people have great concerns about that arrangement and whether the proposals concerned involve amendments to the Basic Law; whether it has considered the proposal to perform immigration clearance for passengers on XRL trains; if it has, of the details; and

(b) whether it has assessed the impacts on XRL's operation, its number of permitted routes and passenger load, etc. in the event that co-location arrangements cannot be implemented, and of the difference between the actual economic benefits and those in the original projection; whether the authorities have formulated contingency and remedial measures to reduce the losses to be incurred due to the erroneous estimation of the passenger flow and the scale of operation; if they have, of the details; if they have not, the reasons for that?

Reply:

President,

My consolidated reply to the two parts of the Hon Frederick Fung Kin-kee's questions is as follows:

Upon completion, the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) will provide express rail service between Hong Kong and Guangzhou, and connect to the

wider urban metro, regional and national railway lines in the Mainland. Enhancing Hong Kong's connectivity with various parts of the Mainland, the XRL has significant strategic importance and transport functions.

On the national level, the Hong Kong section of the XRL will become part of the national high-speed rail network now being developed at full steam. The train journey time between Hong Kong and the Southern, Central and Northern parts of the Mainland will be greatly shortened, facilitating region-wide and nation-wide travel and promoting the exchange between Hong Kong and the Mainland.

Implementing the "co-location" arrangement at the West Kowloon Terminus of the XRL is very important to the realisation of the aforementioned functions. However, as the Government explained to the Legislative Council in the past, the detailed operation of "co-location" involves complex legal and constitutional issues. The Government has been negotiating with the Mainland authorities, and the enforcement issues mentioned by the Hon Frederick Fung also fall within the scope of our examination. The related work is still underway. Once specific agreement has been reached with the Mainland authorities on the customs, immigration and quarantine arrangements for the commissioning of the XRL, we will report to the Legislative Council in a timely manner.

Ends/Wednesday, October 23, 2013
Issued at HKT 12:01

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Appendix IV

Updated background brief on the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

List of relevant papers

Date of meeting	Committee	Minutes/Paper	LC Paper No.
2.12.2009 3.12.2009	Public Works Subcommittee	Administration's paper on Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link - construction of railway works	PWSC(2009-10)68 http://www.legco.gov.hk/yr09-10/english/fc/pwsc/papers/p09-68e.pdf
		Administration's paper on Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link - construction of non-railway works	PWSC(2009-10)69 http://www.legco.gov.hk/yr09-10/english/fc/pwsc/papers/p09-69e.pdf
		Minutes of meeting	PWSC32/09-10 http://www.legco.gov.hk/yr09-10/english/fc/pwsc/minutes/pwsc20091202.pdf PWSC33/09-10 http://www.legco.gov.hk/yr09-10/english/fc/pwsc/minutes/pwsc20091203.pdf
18.12.2009 8.1.2010 15.1.2010 16.1.2010	Finance Committee	Recommendations of the Public Works Subcommittee made on 2 and 3 December 2009	FCR(2009-10)44 http://www.legco.gov.hk/yr09-10/english/fc/fc/papers/f09-44e.pdf

Date of meeting	Committee	Minutes/Paper	LC Paper No.
16.4.2010	Subcommittee on Matters Relating to Railways	Administration's paper on government's monitoring and reporting on the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link	CB(1)1573/09-10(04) http://www.legco.gov.hk/yr09-10/english/panels/tp/tp_rdp/papers/tp_rdp0416cb1-1573-4-e.pdf
		Minutes of meeting	CB(1)2071/09-10 http://www.legco.gov.hk/yr09-10/english/panels/tp/tp_rdp/minutes/rdp20100416.pdf
6.7.2010	Subcommittee on Matters Relating to Railways	Administration's paper on progress and financial situation of the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (1st half-yearly report for the period ending 30 June 2010)	CB(1)2290/09-10(01) http://www.legco.gov.hk/yr09-10/english/panels/tp/tp_rdp/papers/tp_rdp0706cb1-2290-1-e.pdf
20.9.2010	Subcommittee on Matters Relating to Railways	Minutes of meeting	CB(1)757/10-11 http://www.legco.gov.hk/yr09-10/english/panels/tp/tp_rdp/minutes/rdp20100920.pdf
20.5.2011	Subcommittee on Matters Relating to Railways	Administration's paper on progress and financial situation of the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (2nd half-yearly report for the period between 1 July 2010 and 31 December 2010)	CB(1)1585/10-11(07) http://www.legco.gov.hk/yr10-11/english/panels/tp/tp_rdp/papers/tp_rdp0318cb1-1585-7-e.pdf

Date of meeting	Committee	Minutes/Paper	LC Paper No.
		Minutes of meeting	CB(1)3031/10-11 http://www.legco.gov.hk/yr10-11/english/panels/tp/tp_rdp/minutes/rdp20110506.pdf
24.5.2013	Subcommittee on Matters Relating to Railways	Administration's paper on the progress and financial situation of the construction of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link	CB(1)1072/12-13(03) http://www.legco.gov.hk/yr12-13/english/panels/tp/tp_rdp/papers/tp_rdp0524cb1-1072-3-e.pdf
		Administration's paper on the sixth half-yearly report on the construction of the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link project (for the period between 1 July 2012 and 31 December 2012)	CB(1)1108/12-13(01) http://www.legco.gov.hk/yr12-13/english/panels/tp/tp_rdp/papers/tp_rdp0524cb1-1108-1-e.pdf
		Minutes of meeting	CB(1)1870/12-13 http://www.legco.gov.hk/yr12-13/english/panels/tp/tp_rdp/minutes/rdp20130524.pdf