

EXECUTIVE SUMMARY

1. Report Context and Objectives

This report is all about Victoria Harbour as a whole. It draws together data and analysis not just of the use of land around the harbourfront but also the situation on the water as well. Most importantly, it considers the interaction and necessary interface between the two. The starting point throughout is of Victoria Harbour as a harbour.

Perhaps surprisingly, this report is the first to attempt to consider land and water issues around Victoria Harbour in a comprehensive, collective and harbour-wide manner. Rarely has the planning of our harbour's land and water been considered collectively and, unfortunately, the unintended consequences and possible negative impacts of such single-sector planning are often over-looked. The objectives of this report are therefore to:

- Study and record evolving marine activity and land uses around the harbour and show how and where the two interact
- Determine the extent to which single-sector planning is causing potential problems or leading to missed opportunities
- Consider the need for possible administrative, regulatory or policy changes to improve harbour utility for the broader public interest
- Outline a number of indicative programmes for harbour enhancement that highlight the potential opportunities in collective, multi-sector planning

To support this report, HBF has also developed the first ever comprehensive database – the *HBF Harbour Database* – of Victoria Harbour's land and marine assets, interfaces and uses. This, in turn, has been used to generate the *HBF Interactive Harbour Map* that shows graphically the locations of these facilities all around the harbour. These powerful new tools have been used to generate much of the analysis presented in this report and, with the launch of this report, will be made freely available for public use on a newly created, harbour-focused webpage: www.victoriaharbour.hk.

2. Victoria Harbour as a Harbour

Victoria Harbour is first and foremost a harbour. It provides core resources and unique opportunities for commercial and recreational marine activities that bring vibrancy, employment and income, utility and fascination. The distribution of these activities within the harbour is effectively determined by the harbour's natural characteristics as well as the availability of marine facilities and sheltered water. By reviewing the locations of existing facilities as well as identifying past and future usage trends, an accurate picture of the state of Victoria Harbour as the harbour today – and potentially tomorrow – can be formed.

Victoria Harbour as a Working Harbour: Victoria Harbour is home to all nine of Hong Kong's container terminals and seven of Hong Kong's eight Public Cargo Working Areas (PCWAs). In 2010 these handled over a quarter of a billion tonnes of cargo and almost 24 million TEUs in 30,000 ocean-going and almost 90,000 river cargo ships - making Hong Kong the third busiest port in the world based on container throughput. Demand prospects remain encouraging but Hong Kong is struggling to secure market share for container trade in particular given competition from the Chinese Mainland. Most of Hong Kong's working harbour facilities are in the western harbour and rationalisation in this direction will continue with the upcoming closure of the Kwun Tong and Cha Kwo Ling PCWAs. Similarly, Hong Kong's fishing fleet, mainly based in Shau Kei Wan, is expected to see significant reductions in size following recent legislative controls on fishing in Hong Kong.

Victoria Harbour as a Harbour for Transport: In 2010, 26 million ferry passenger trips were made across the harbour, a further 23 million trips were made to the outlying islands and nearly 27 million trips were made on cross-boundary ferries. Victoria Harbour provides almost all the infrastructure for these trips including five dedicated outer-island ferry piers in Central and Hong Kong's two dominant cross-boundary ferry terminals. However, with the





exception of cross-boundary ferry trips, use of the water for passenger transport in Hong Kong is in long-term decline - particularly for harbour and outer-island ferry services - and some routes have already closed.

Over half of the harbour’s ferry piers lie within Central and Yau Tsim Mong. However there are only nine public piers in the harbour - just one for each district that fronts the water.

Of course, Hong Kong is also building a new cruise terminal at Kai Tak. Nearly 2,300 cruise ships and ocean-going passenger vessels arrived in Hong Kong in 2010 – down from almost 3,400 five years ago – but almost half used buoys and anchorages rather than berthing at Ocean Terminal or the China Ferry Terminal.

Victoria Harbour as a Harbour for Leisure: Across Hong Kong as a whole demand for motor-bearing leisure vessels is booming with almost 7,000 licensed pleasure vessels now registered - an increase of 60% in the past decade. However, there are only two dedicated marine recreation facilities within the harbour: the Royal Hong Kong Yacht Club facility and Kowloon Permanent Pier No.6 of Pacific Club Kowloon. Pleasure vessels in the harbour can only moor in the Causeway Bay Typhoon Shelter, where the Marine Department manages almost 300 private moorings.

Data suggests that Hong Kong as a whole is rapidly running out of space to meet this growth in leisure vessels. Hong Kong’s four marinas are now almost full, as are the existing pleasure vessel sheltered anchorages, and private moorings (of which there are now around 1,800, down from 2,300 in 1999) are running at occupancy rates of 95%. Only about 190 hectares of Hong Kong’s 400 hectares of sheltered water are available to pleasure vessels whose growth rate far exceeds the average for Hong Kong’s overall marine fleet.

3. Relating Land-Use to Water-Use

Viable marine use of the harbour requires supporting land-based facilities and uses, particularly important around scarce areas of sheltered water. Analysis of existing and future land-uses according to the HBF Harbour Database show the major land-use categories to be:

Major Land-Uses around the Whole Harbour		Major Land-Uses around Sheltered Water	
Existing Uses	Future Uses	Existing Uses	Future Uses
Recreation & Open Space, 32%	Recreation & Open Space, 43%	Land under construction, 33%	Recreation & Open Space, 52%
Logistics, 26%	Logistics, 22%	Logistics, 29%	Logistics, 22%
Land under construction, 14%	Municipal, 13%	Recreation & Open Space, 22%	Use still unknown, 11%

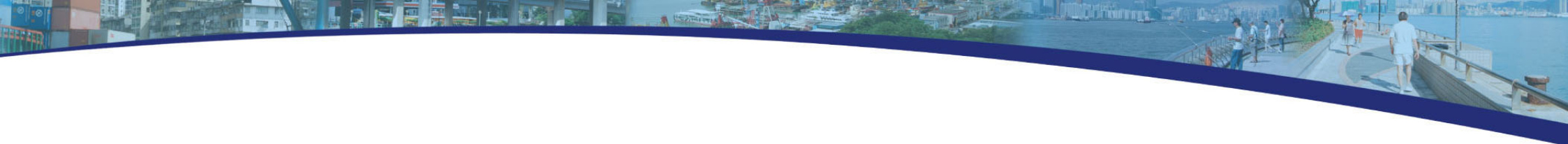
Source: HBF Harbour Database

This trend towards greater use of the harbourfront for recreation and open space is also apparent when considering the degree to which individual facilities really need to be on the waterfront or not. Adopting long-established US definitions of water-dependency and water-relatedness, currently around 40% of Victoria Harbour’s waterfront and its sheltered waters are taken up by uses that need to be there to conduct their primary purpose. However, assuming currently planned projects go-ahead as planned, this figure is estimated to fall slightly across the harbour as a whole, but will decline to just 30% around Victoria Harbour’s sheltered waters, while parks and promenades will take up over half the land around sheltered water.

This in itself may not necessarily be a problem. However, if best use is to be made of our harbourfront areas then at all times the implications of land-use planning on Victoria Harbour as a harbour must be considered. This is particularly true around scarce sheltered water since smaller vessels need these protected areas to berth and moor. Overall, the impression is that current planning does not yet plan the use of the harbourfront and the water in an integrated and strategic manner, and that the resultant plans are starting to have unintended consequences.

Further key findings are the critical importance of getting the waterfront planning at Kai Tak and Kwun Tong right given that half of Victoria Harbour’s existing sheltered waterfront is bounded by these sites, and also the limited provision of existing interfaces at both Kai Tak and West Kowloon to receive water-borne visitors. Planning of the land here is clearly important but consideration of water-side access should not be overlooked if a truly vibrant harbourfront destination is to be achieved.





4. Policy Analysis and Recommendations

While it is easy to say that Hong Kong needs to start planning its harbour and its harbourfront areas together, the practice is rather more difficult. Certainly, major harbourfront planning studies should consider the implications of their recommendations on the use of adjoining water bodies and vice versa. However, consideration of implications is still a long way short of adopting a truly integrated approach to land and water planning that appreciates the necessary interconnectedness of the two. HBF's 2009 Integrated Harbour Study (IHS) recommended the adoption of a new integrated approach to planning, developing and managing Victoria Harbour comprising six inter-related components. These components provide a useful framework for determining the extent to which the current system truly considers land and water issues in an integrated manner and where recommendations can be made for future improvement.

Policy Commitment: The Hong Kong Government's policy commitment with respect to the harbour is best and most recently expressed in its General Circular No. 3/2010 on Harbourfront Enhancement. This sets out the principles and guidelines on harbourfront enhancement, "appeals to policy bureaux and departments...for their support of harbourfront enhancement initiatives" and promotes Public-Private Partnerships as a means to develop and manage the harbourfront. While this policy strengthening and improvement in government agency practice is welcome and marks a significant step forward in the Government's policy commitment, the circular refers solely to the planning, development and management of the harbourfront. The harbour itself is not explicitly mentioned, neither is the need to recognise the necessary interaction between land and water issues.

HBF therefore recommends that the following harbour-specific policy statements be endorsed by the Government to guide future harbour planning, implementation and management:

1. Marine use of the harbour as a harbour must be maintained
2. Transport by water to connect people and places across and around the Harbour must be sustained
3. Land- and water uses at the harbourfront should be inter-dependent

4. Actively managed harbourfront venues and destinations are crucial to sustaining the vitality of the harbour
5. Infrastructure improvements that facilitate use of the harbour as a public asset are to be welcomed

A Vision and Priorities for the Harbour: A vision for Victoria Harbour was first promulgated by the TPB in 1999 and expanded by the HEC in 2006. While this latter vision explicitly differentiated between the harbour and its harbourfront areas, its interpretation has predominantly focused on the harbourfront. As part of the 2009 IHS, HBF expanded this vision to capture the importance of the harbour and also adopted a series of priorities to detail our vision, which specifically includes promoting water-based connectivity between harbour places; fostering maritime assets to support economic growth; and improving water quality. HBF recommends expanding the Government's Vision and Principles to encompass these marine priorities more explicitly.

A Strategic Framework and Plan: HBF has consistently emphasised the need for planning of activity on, and development facing, the water to be carried out in the context of a wider strategic framework and plan which set the long term strategic direction for the harbour as a whole and link actions on the ground back to the vision. Objectives, priorities and programmes of action are set "top down" according to strategic, evidence-based needs and community engagement rather than a "bottom up" collection of initiatives and area plans.

In February 2011 Planning Department presented its "Overview of Land Use Framework for Victoria Harbourfront" to the Harbourfront Commission, much of it based on the Planning Study on the Harbour and its Waterfront Areas (commonly referred to as the Harbour Plan) prepared in 2003. This framework takes strategic direction from the Harbour Planning Principles and Guidelines to guide the undertaking of a number of district-based reviews with a view to identifying enhancement opportunities.

Although presented as a "Framework", Government acknowledges that is a land use plan only, without reference to the water, and is compiled district by district rather than on a 'whole harbour' basis.





HBF maintains that a full strategic plan of the harbour is essential, one that operates top down by identifying enhancement opportunities based on what Hong Kong as a whole needs and then what the harbour needs to deliver Hong Kong's goals, rather than bottom-up by looking at each individual site in isolation. This recognition of the need for a strategic plan has been endorsed by the Harbourfront Commission and HBF fully supports its efforts to see a fully integrated land and water strategic plan developed.

An Overarching Responsible Body: The need for an overarching responsible body is never more clear than when considering the current oversight arrangements for the harbour – for example with responsibilities split between Marine Department for safety, Transport Department for use of piers and CEDD for pier maintenance. The creation of the Harbourfront Commission in 2010 brings a welcome dose of 'joined-up thinking' to harbour matters and facilitates greater debate and cross-government policy co-ordination. However, ultimately its focus, remit and powers still appear too narrow to address the political, financial and institutional complexities of harbour and harbourfront planning, delivery and management.

However, HBF notes that the HEC report that recommended the establishment of a Harbourfront Commission also recommended a "longer-run aspiration for an independent, statutory authority". In a recent statement to the Harbourfront Commission, the Secretary for Development has suggested that it may now be timely to begin the process of revisiting the case for an independent authority and HBF fully supports this potentially momentous step forward.

Changes to the Planning & Delivery System: Finally it is clear that a fully integrated approach may not be possible without changes to the existing planning and delivery systems. For a fully integrated approach to land-water planning, two immediate planning and delivery issues are apparent:

- There is a need to take account of different water uses and activities when considering land-use and vice versa. One means of doing this could be through a broad water zoning system for the harbour based on the predominant current or potential uses creating natural zones

- The interpretation of the Protection of the Harbour Ordinance has been the main obstacle restricting delivery of some key land-water interface improvements. A close reading of Circular 1/04 interpreting the Ordinance suggests that it not as restrictive as thought – or as interpreted. HBF believes that it is time to reconsider the interpretation of the Ordinance, which was never intended to end reclamation in the absolute, and will need to be overcome if water-side access is to be provided at Kai Tak and West Kowloon for example – clear examples where limited reclamation to improve connectivity must be in the public interest.

5. Indicative Harbour Enhancement Programmes

To demonstrate the importance of adopting an integrated approach to land-water planning this report ends with the identification of six indicative harbour enhancement programmes, including:

- **Rationalisation of the Working Harbour:** rationalising the use of the existing quaysides and wharves in the harbour
- **Additional Pleasure Boat Facilities in Victoria Harbour:** delivering safe mooring and easy access to a wide range of pleasure boats
- **Flexible Water-borne Passenger Transport in Victoria Harbour:** providing flexible and environmentally-friendly water transport along and around the harbour to complement existing scheduled services
- **Maritime Heritage in Victoria Harbour:** preserving and displaying the maritime cultural heritage of Hong Kong in a highly visible way to create a major attraction and destination in Victoria Harbour
- **Revitalisation of Piers in Victoria Harbour:** encouraging greater use of piers for public enjoyment and small-scale commercial activity
- **Water Events Venues and Facilities in Victoria Harbour:** providing arenas and facilities for cultural and sporting events

While all these programmes would be expected to benefit Hong Kong, the focus is not on the programmes themselves but on how they might be delivered and the need for an integrated approach to land and water planning if implementation is to be achieved.