

March 18, 2016

Attention: Mrs. Ingrid Yeung, JP, Commissioner for Transport

Transport Department
Room 3926, 39/F, Immigration Tower
7 Gloucester Road, Wan Chai
HONG KONG



The American Chamber
of Commerce in Hong Kong
1904 Bank of America Tower
12 Harcourt Road, Hong Kong

Dear Commissioner Yeung,

RE: Submission on Electronic Road Pricing Pilot Scheme in Central and its adjacent areas

The American Chamber of Commerce in Hong Kong (**AmCham HK**) welcomes the Transport and Housing Bureau's proposed Electronic Road Pricing Pilot Scheme in Central and its adjacent areas (**ERP Pilot Scheme**). We support the government's proactive efforts to address road traffic congestion and appreciate the opportunity to provide our views in the public engagement exercise. Please find below paragraphs outlining the **Big Picture, Better Planning and Best Practice** in response.

Big Picture: Development as a Smart City

AmCham HK has submitted to the administration respectfully and repeatedly that as a world-class city, Hong Kong needs world-class vision for transportation, together with expert planning and execution. In this digital disruptive day and age, Hong Kong's global and regional competitiveness hinges upon its "**Smart City**" development. The vision goes beyond being "smart" and livable but must envisage and invest in essential hard and soft infrastructure for a sustainable model which promotes quality living. The ERP Pilot Scheme is an excellent first step towards realizing that vision utilizing analytics and data for urban planning, transport efficiency and traffic control.

Better Planning: Pedestrian First, Mass Transport Second, Private Cars Last

AmCham HK advocates "**Pedestrian First, Mass Transport Second, Private Cars Last**" as an overall strategy. The challenges of road traffic congestion and competition of road space are not unique but for the solutions to be effective, they need to correspond to Hong Kong's specific conditions. Based upon "demand-side management", the ERP Pilot scheme will allow for better traffic management practices, better management of the use of private cars, and better incentives for the use of public transport.

Furthermore, please find below suggestions regarding the selected questions outlined in the consultation.

Q8 Do you support providing exemption / concession to vehicles other than emergency vehicles for the Central District ERP Pilot Scheme? If so, what are the types of vehicles and why do you choose them?

We suggest the administration to consider providing concession for electric vehicles to incentivize the use of green means of transport and reduce emission.

With regard to non-electric public transport vehicles, which follow a fixed route (green minibuses and franchised buses), if these vehicles are not exempted, charging levels should be set at a level not to reduce the financial attractiveness of regular public transport for the travelling public.

Q10 Do you have any concern over the protection of privacy in the Central District ERP Pilot Scheme? What are your concern(s) and how do you think it / they could be addressed?

Mass data collection poses significant privacy concerns especially in terms of the use of such information by government agencies and private entities. The ERP Pilot Scheme represents only one aspect of Hong Kong's information technology developments and projects.

AmCham HK suggests that relevant government bodies, including the Information and Technology Bureau and the Privacy Commission, to work closely with the Transport and Housing Bureau and the Transport Department to set clear guidelines on reasonable use of information and implement a consistent and integrated privacy policy, acceptable to users of the ERP Pilot Scheme.

Q11 What indicators do you think we should use to evaluate the effectiveness of the Central District ERP Pilot Scheme?

The ERP Pilot Scheme should be evaluated vis-à-vis its effectiveness to provide:

- (1) Traffic Management – indicators showing measurably less congestion and avoidance of simply shifting congestion from within to immediately outside the pilot ERP area;
- (2) Private Car Management – indicators showing a decline of the use of private cars;
- (3) Incentives for the Use of Public Transport – indicators showing more use of public transport in the pilot district and adjacent areas.

Q12 Do you agree that the charging level should be reviewed regularly and adjusted where necessary in order to maintain the effectiveness of the Central District ERP Pilot Scheme?

Yes, the charging level should be reviewed periodically and adjusted at an appropriate level. Extension of the Central District pilot area to consider cross-harbor tunnels and their approach roads should also be considered. The choice of technology for the pilot area should take this into account.

Q13 Do you have any suggestions on measures which could complement the implementation of the Central District ERP Pilot Scheme?

Specific to Hong Kong's context, AmCham HK suggests that the administration expedite efforts for bus route rationalization and address illegal parking.

In addition, the ERP Pilot Scheme is based upon successful overseas experiences in Singapore, London, and Gothenburg. For next steps, the administration may consider the Seoul's experience in providing real time and automatic data for drivers to travel on optimal routes for efficiency, convenience and safety.

Best Practice: Cross-Bureau/Department Public-Private Partnership

The ERP Pilot scheme demonstrates the Transport and Housing Bureau's leadership and determination to address roadside congestion. AmCham HK sincerely looks forward to supporting the Transport and Housing Bureau, the Transport Department, as well as other relevant government agencies and stakeholders to follow up.

Yours sincerely,



Walter Dias
Chairman



Richard R. Vuylsteke
President

The American Chamber of Commerce in Hong Kong is the largest international chamber in Hong Kong and represents a broad and diverse membership.