Submission by The Conservancy Association To Legco Panel on Environmental Affairs and LegCo Panel on Transport 13 December 2001

Subject: Conservation of Long Valley and the KCRC Spur Line Project

1. Principles adopted by The Conservancy Association

In considering the issues of Long Valley and the Spur Line, CA adopts as its guiding principle the concept of sustainable development which seeks to satisfy the present needs of this generation without compromising the ability of our future generations to meet their needs. In particular, we believe the following objectives are vital:

- Objective 1: Long Valley must be conserved in perpetuity without threat from the Spur Line, disruptions from change of land-use or future developments induced by, for instance, nearby Kwu Tung New Town development. The debate over this issue in the past years has demonstrated clear public consensus in conserving Long Valley.
- Objective 2: The congestion of cross-border traffic at Lo Wu should be eased by mid-2007 as proposed by the government we accept the government's argument that this is a critical need.
- Objective 3: Regardless of the artificial demarcation of financial arrangements among the KCRC and other government bureaus, public resources to be devoted to resolving this issue should be considered in its totality in order to find a solution that satisfies all objectives. This is the only way to maximize social gains from whatever public resources deployed to solve this problem.
- 2. Deficiencies of the Tunnel Option

KCRC has recently submitted an EIA report to the DEP and ACE for deliberation. Without prejudging the outcome of its application for an environmental permit, the Tunnel Option currently endorsed by the government is deficient in a number of ways:

- a. It does not address the need for the long-term conservation of Long Valley (Objective 1 above). If the more expensive Tunnel Option is adopted now but the ecology of Long Valley is destroyed under future development pressure, both the public purse and the environment will be losers. Whilst it can be argued that conservation is not a remit of the KCRC or the Transport Bureau, the government taken as a whole should not ignore its obligation to consider this matter in totality, of which long-term conservation is a key objective.
- b. The Tunnel Option is indeed one of the three solutions considered practical by the EIA Appeal Board. Yet the Transport Bureau has not put up convincing arguments as to why it is the only viable option to satisfy the critical needs of cross-border traffic (Objective 2 above). Indeed CA believes that the Northern Link option, or indeed a Prioritised Northern Link option described below, which is one of the three solutions considered practical by the Appeal Board, may well be an alternative worth serious and urgent investigation.

c. The Tunnel Option requires an extra \$2 billion over the original viaduct proposal. Whilst CA commends the government for its willingness to spend this extra fund as "conservation dividend" since it acknowledges the need to satisfy public aspirations for the protection of Long Valley, it is not clear that social gains will be maximized by spending the extra funds in this manner given the multiple objectives involved.

3. The Prioritised Northern Link (PNL) Option

The Northen Link (NOL) Option was considered one of the three practical solutions by the Appeal Board. However very limited information on this option was provided by the government during the course of appeal. Hence the Appeal Board did not give a definitive judgment on this option except to say that this may require "a major change of government policy". Yet at the same time the Appeal Board did not rule out the possibility that this option may be carried out "in a timely fashion to satisfy the need".

The present government policy on railway development is based on the Railway Development Strategy Study-II (RDS-2) conducted between 1998-1999. According to the RDS-2 Report, the NOL serves three primary functions: i) linking West Rail to Lok Ma Chau; ii) linking West Rail and East Rail in the northern part of the New Territories and; iii) provide a rail-link to the Kwu Tung New Town. The NOL was not considered a priority at the time of study because the government assumed in its planning that the Spur Line would be operational by 2004.

Three new factors have now emerged since the RDS-2 study:

- 1. The Spur Line, even if the Tunnel Option is readily approved, will not be ready until mid-2007;
- 2. The construction progress of West Rail has gone much faster than originally planned. The full line is likely to be operational by 2003 a year earlier than expected and at a cost of \$1.6 billion below budget.
- 3. The slowdown of the Kwu Tung New Town Development because of general economic downturn and changes in government home-ownership targets.

In view of the above, it is reasonable to expect the government to revisit the programme planning of NOL and the Spur Line, taking into consideration the three new factors above as well as the new public consensus to conserve Long Valley.

Based on limited public information, CA considers that it is worth examining in detail a Prioritised Northern Link (PNL) Option to see if it is able to replace the present need for a Spur Line across Long Valley. In the PNL option, the two components of the NOL, i.e., the cross-border link between Yuen Long and Lok Ma Chau (the West Rail Cross-border link) and the link between West Rail and East Rail via Kwu Tung (the Kwu Tung link) will be planned separately. The highest priority will be given to construct the West Rail Cross-border link by 2007. The Kwu Tung link will be planned in parallel but given a lower priority should it conflict with the fast-tracked programme of the West Rail Cross-border link.

Pending further study the apparent advantages of the PNL option include:

- a. The congestion at Lo Wu can be eased because a significant amount of cross-border traffic will be served by the West Rail via Lok Ma Chau;
- b. Passengers from south-west and north-west New Territories will benefit from a more direct route to Shenzhen via West Rail, saving time and money as well as easing congestion at East Rail as a whole;

- c. A railway line across Long Valley will be avoided altogether, thus eliminating any adverse environmental impact.
- d. Instead of spending an extra \$2 billion on the more expensive Tunnel Option, the conservation dividend can be used to satisfy directly the conservation needs of Long Valley.
- e. By segregating the programmes of the West Rail Cross-border link and the Kwu Tung link, the latter can be timed more accurately and in a more flexible manner, thus conserving valuable public resources.
- f. Since the alignment of the West Rail Cross-border link cuts across mostly built-up areas in north-west New Territories, it is unlikely to encounter any insurmountable environmental issues that may cause serious delay.

It is worth noting that the government decision to build the Spur Line was taken in 1999 with an expected completion date of 2004. If a decision is taken soon to construct the West Rail Crossborder link, the KCRC's valuable experience in fast-tracking West Rail construction can be usefully deployed to fast-track the construction of the West Rail Cross-border link. By devoting full resources to building this link it is plausible that it can be completed by 2007, if not earlier.

If the PNL option can be successfully implemented, not only will the Spur Line render unnecessary in the immediate future but it may prove to be entirely redundant after the Kwu Tung link becomes operational. Long Valley will be avoided altogether and there could also be very significant savings for the entire railway system in the northern New Territories.

In short, instead of embracing an expedient solution we are urging the government to look for the best solution in line with Hong Kong's "can-do" spirit.

4. Conservation of Long Valley

Given the foreseeable development around Long Valley, such as the proposed Kwu Tung New Town, the CA regards the present situation in Long Valley untenable if its ecological value is to be preserved. As the surrounding areas are developed, its owners will put up increasing pressure on the government to have the land-use designation changed to allow development. The longer the government delays addressing this issue, the higher the "hope value" perceived by the land-owners will become.

At present the only "hope value" perceived by the land-owners is the "hope value for development", i.e., the future value of such land being acquired by developers. In order for the status quo to remain or to encourage the land be managed for conservation purpose, it is necessary to change the "hope value" to the "hope value for conservation", i.e., the future value of such land being acquired for conservation. This requires the government to come up with a credible alternative to acquire the land for conservation at some point in the future if it is not deemed feasible to acquire the entire Long Valley with cash right away.

The CA recognizes that similar to Long Valley there are many privately-owned ecologically sensitive sites in Hong Kong which are badly in need of long-term conservation plans. The government tends to argue for this reason that the conservation plan of Long Valley has to wait until a general conservation policy is adopted for the entire SAR.

However the CA believes that this is no excuse to delay devising a long-term conservation plan for Long Valley. Whether Long Valley is the "most" ecologically sensitive site is irrelevant, so far as it is worthy of conservation – which the government now accepts, no conservation effort spent on it will be wasted. Due to its unique circumstances the CA urges the government to adopt a conservation plan for Long Valley as a priority and as a pilot scheme ahead of any general conservation policy. Furthermore, the conservation dividend of at least \$ 2 billion should be a centerpiece of this pilot scheme.

We urge the government to stay firm in its conservation efforts, to break down its bureaucratic barriers and to implement urgently a viable scheme which has at heart the welfare of Hong Kong's future generations.

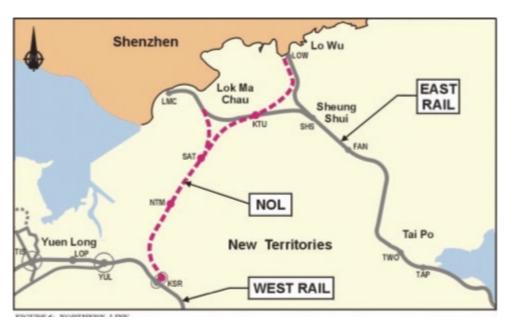


Figure 1 Prioritised Northern Link Option

(Figure extracted from Railway Development Strategy 2000)