

**Follow-up Action arising from
the LegCo Panel on Development Meeting on 19.12.2011**

The Administration's Response on the Supply and Demand of Office Space

To capitalize on the fast-growing opportunities of the Mainland and to maintain Hong Kong's position as a leading financial and business centre, the Administration has been adopting measures to ensure a steady and adequate supply of quality office space. The Hong Kong 2030: Planning Vision and Strategy (HK2030 Study) provides appropriate planning measures to support Hong Kong's economic growth in the long term. In particular, it emphasizes the importance of maintaining a steady and adequate supply of prime offices, and sets out the long-term strategy of office land supply.

Demand and Supply of Office Space

2. The HK2030 Study has identified the need to separately reserve land for Central Business District (CBD) Grade A office, in view of the particular requirements of location and quality of premises, as well as the value and status associated with the high-value-added business activities. According to the forecast made by the HK2030 Study, CBD Grade A office space has to increase by 2.7 million m² in gross floor area (GFA) from 2003 to 2030 so as to meet the market requirement.

3. On the supply side, the overall stock and completion of private offices from 2002 to 2011 by districts is summarized in **Annex I**. As office development is essentially market driven, it is difficult to make projections on the future market supply. Nonetheless, the Rating and Valuation Department has released the estimated completion of private offices for 2012 and 2013. The information is at **Annex II** for reference.

Long Term Strategy for Office Land Supply

4. As recommended in the HK2030 Study, the Administration will continue to consolidate and enhance the existing CBD, and explore new quality office nodes outside CBD. In this connection, concrete plans include freeing up government accommodation not requiring a prime location, and developing

new office clusters at strategic locations in the metro areas including Kai Tak, West Kowloon and Kowloon East, have been formulated. The HK2030 Study further indicated that revitalization and redevelopment of existing industrial buildings would also provide office space for general business uses.

5. We are striving to take these plans forward expeditiously. For example, the Administration is adopting a “Place-making” approach to facilitate the transformation of Kowloon East, which has potential for providing an additional office floor area of 4 million m², into a premier business district. It is also worth noting that two business sites in Kwun Tong and Kowloon Bay were sold in the year 2011-12 to accelerate the commercial development in Kowloon East. Furthermore, a business site in Kowloon Bay initiated by the Government for sale was sold in November this year. Apart from those three business sites in Kowloon East, the Administration also sold five business/commercial sites in the year 2011-12. In addition, measures to facilitate revitalization of industrial buildings were introduced in April 2010 to encourage the provision of more suitable premises through redevelopment or wholesale conversion of existing underutilized industrial buildings to support various economic and social needs. We will continue our efforts in these areas to ensure a steady and adequate supply of quality office space.

Development Bureau
December 2012

Stock and Completion of Private Offices of All Grades by Districts (from 2002 to 2011)**各區私人寫字樓存量及落成量 (2002 至 2011 年)**

District 地區	Stock (GFA) ('000 sq.m, approximately) 存量 (總樓面面積) ('000 平方米, 約)										Completion (GFA) ('000 sq.m, approximately) 落成量 (總樓面面積) ('000 平方米, 約)									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Central and Western 中西區	4,228	4,366	4,390	4,379	4,395	4,386	4,356	4,357	4,350	4,371	54.4	182.7	5.2	42.7	34.9	1.7	0	3.7	0	40
Wan Chai 灣仔	2,415	2,420	2,495	2,486	2,440	2,437	2,417	2,396	2,399	2,397	10.7	5.9	82.7	0	0	5.6	0.9	0	2	0
Eastern 東區	1,125	1,144	1,145	1,144	1,142	1,163	1,297	1,292	1,345	1,346	7.9	23.7	0	0	0	21.5	137.2	0	45.6	0
Southern 南區	138	173	178	178	178	176	176	175	175	243	71.7	37.3	7	0	0	0	0	0	0	68
Hong Kong Island 港島	7,906	8,104	8,208	8,187	8,154	8,161	8,246	8,220	8,269	8,356	144.7	249.6	94.8	42.7	34.9	28.9	138.2	3.7	47.6	107
Yau Tsim Mong 油尖旺	2,737	2,760	2,814	2,826	2,807	2,885	2,867	2,907	2,948	2,913	5.9	25.3	68.6	2.9	0.9	88.6	0	75.4	54.6	0
Sham Shui Po 深水埗	282	282	300	301	300	324	324	323	335	334	19.3	0	18.2	0	0	24.2	0	0	9.9	0
Kowloon City 九龍城	248	249	248	248	248	248	248	247	247	245	0	0	0	0	0	0	0	0	0	0
Wong Tai Sin 黃大仙	31	31	31	31	31	31	42	63	63	63	0	0	0	0	0	0	11.6	20.5	0	0
Kwun Tong 觀塘	444	531	655	653	711	912	1,146	1,313	1,407	1,493	21.5	87.6	131.9	0	59.5	203.2	235.2	102.3	53.9	92
Kowloon 九龍	3,742	3,853	4,048	4,058	4,096	4,400	4,627	4,853	4,999	5,047	46.7	112.9	218.7	2.9	60.5	315.9	246.8	198.2	118.4	92

Kwai Tsing 葵青	139	131	118	118	118	118	171	171	168	168	6	0	0	0	0	52.7	0	0	0	
Tsuen Wan 荃灣	103	103	105	105	133	133	133	133	133	133	0	0	1.7	0	28.1	0	0	0	0	
Tuen Mun 屯門	54	54	54	55	55	55	55	55	55	55	0	0	0	0	0	0	0	0	0	
Yuen Long 元朗	40	49	49	51	51	51	51	51	51	51	1.5	9.1	0	0	0	0	0	0	0	
North 北區	37	37	37	37	36	38	38	36	37	37	0	0	0	0	0	1.6	0	0	0	
Tai Po 大埔	9	9	9	9	9	9	9	9	9	9	0	0	0	0	0	0	0	0	0	
Sha Tin 沙田	172	201	254	254	256	322	340	330	352	360	22.6	28.1	58.6	0	0	67.1	18.6	0	0	8
Sai Kung 西貢	12	12	12	12	12	12	12	12	12	12	0	0	0	0	0	0	0	0	0	
Islands 離島	208	208	209	184	206	220	220	214	212	195	0	0	0	0	21.3	14.4	0	0	0	
<i>New Territories</i> 新界	774	803	846	823	875	958	1,029	1,010	1,029	1,020	30.1	37.2	60.3	0	49.4	83.2	71.3	0	0	8
Overall 全港	12,422	12,760	13,102	13,068	13,126	13,519	13,901	14,084	14,298	14,422	221.5	399.7	373.9	45.6	144.7	428	456.3	202	166	208

Source: Hong Kong Property Review 2002-2012, the Rating and Valuation Department. A conversion factor has been applied to change the “Internal Floor Area” to “Gross Floor Area”.

資料來源：香港物業報告 2002-2012，差餉物業估價署。運用了轉換因子以將「內部樓面面積」轉換為「總樓面面積」。

Forecast Completion of Private Offices by Grades and Districts
各區不同級別私人寫字樓預測落成量

District 地區	2012 Forecast Completion (GFA) ('000 sq.m, approximately) 2012年預測落成量(總樓面面積)('000 平方米, 約)				2013 Forecast Completion (GFA) ('000 sq.m, approximately) 2013年預測落成量(總樓面面積)('000 平方米, 約)			
	Grade A 甲級	Grade B 乙級	Grade C 丙級	Total 總數	Grade A 甲級	Grade B 乙級	Grade C 丙級	Total 總數
	Central and Western 中西區	16.5	-	-	16.5	-	10.6	3.2
Wan Chai 灣仔	25.9	12.8	-	38.8	-	-	-	-
Eastern 東區	-	15.7	-	15.7	-	-	-	-
Southern 南區	-	15.8	-	15.8	20.1	-	-	20.1
Hong Kong Island 港島	42.4	44.3	-	86.7	20.1	10.6	3.2	33.8
Yau Tsim Mong 油尖旺	-	-	-	-	-	1.9	0.7	2.5
Sham Shui Po 深水埗	-	-	-	-	19.7	-	-	19.7
Kowloon City 九龍城	-	-	-	-	-	-	-	-
Wong Tai Sin 黃大仙	-	-	-	-	-	-	-	-
Kwun Tong 觀塘	45.5	12.7	-	58.2	71.8	11.2	-	83.1
Kowloon 九龍	45.5	12.7	-	58.2	91.5	13.1	0.7	105.3
Kwai Tsing 葵青	52.7	-	-	52.7	-	-	-	-
Tsuen Wan 荃灣	-	-	-	-	-	-	-	-
Tuen Mun 屯門	-	-	-	-	-	-	-	-
Yuen Long 元朗	-	-	-	-	-	-	-	-

North 北區	-	7.5	-	7.5	-	-	0.4	0.4
Tai Po 大埔	-	-	-	-	-	-	-	-
Sha Tin 沙田	-	-	-	-	16.1	-	-	16.1
Sai Kung 西貢	-	-	-	-	-	-	-	-
Islands 離島	-	-	-	-	-	-	-	-
New Territories 新界	52.7	7.5	-	60.2	16.1	-	0.4	16.5
Overall 全港	140.6	64.5	-	205.1	127.6	23.7	4.3	155.6

Source: Hong Kong Property Review 2012, the Rating and Valuation Department. A conversion factor has been applied to change the “Internal Floor Area” to “Gross Floor Area”.

資料來源：香港物業報告 2012，差餉物業估價署。運用了轉換因子以將「內部樓面面積」轉換為「總樓面面積」。