

Legislative Council Panel on Development

Comments on Implementation Arrangements for the Hung Shui Kiu New Development Project

This note sets out the Administration's responses to Hon. Steven Ho's views on the captioned addressed to the Chairman of the Panel on Development on 26 June 2017.

Arrangements for Affected Farmers

Arrangements for Agricultural Rehabilitation

2. The planning of the Hung Shui Kiu (HSK) New Development Area (NDA) has minimised impact on the existing developments as far as possible. However, some 7 hectares (ha) of active agricultural land would still be inevitably affected due to their locations within areas required for land development or infrastructure. According to the current estimate, most of these 7 ha of active agricultural land would be affected by the clearance in or after 2024.

3. To assist the affected farmers, the Government will adopt the special agricultural land rehabilitation scheme applicable to the Kwu Tung North/Fanling North NDAs project by providing priority assistance to affected farmers. Under the scheme, suitable government land and landowners who are willing to sell or lease their land for agricultural rehabilitation will be identified. Priority assistance will be given to match the land/landowners with the affected farmers. To this end, we have initially identified agricultural land possibly suitable for agricultural rehabilitation in the vicinity of Lau Fau Shan and Pak Nai. We will continue to search for suitable agricultural land for agricultural rehabilitation. In tandem with the development schedule of the HSK NDA, we will promulgate the detailed arrangements of the special agricultural land rehabilitation scheme in due course to assist affected farmers to undertake farming practices.

4. In addition to the above special scheme, Agriculture, Fisheries and Conservation Department will continue to administer the established Agricultural Land Rehabilitation Scheme (ALRS), and act as a middleman to assist private landowners and those who wish to rent land for farming in reaching tenancy agreements. Over the past five years (2012-2016), the established ALRS facilitated 105 successful cases, involving approximately 21.6 ha of agricultural land.

Compensation Arrangements

5. Under the existing mechanism, farmers affected by land resumption and clearance arising from public works projects will, upon completion of assessment and verification of their eligibility, be offered relevant ex-gratia allowances (EGAs), which include EGA for crops, disturbance allowance for cultivators, allowance for pig and poultry farmers, EGA for pond fish farmers rearing edible fish and fish fry, allowance for qualified farm structures on private land, and allowance for miscellaneous permanent improvements to farms. The EGA rates will be reviewed regularly in accordance with the established mechanism. Generally, the amounts of EGAs payable will be assessed taking into account the market value at the time of assessment less depreciation (if applicable). For the EGA rates for crops which reflect the market value, the rates will be estimated based on price data collected from wholesale markets, territory-wide farms and market surveys. As a whole, the mechanism should have reflected the market price but, having said that, we stand ready to discuss with the industry on Hon. Ho's concern that the EGA rates do not reflect factors such as rising prices.

Freezing Survey

6. Under the existing mechanism for assessment of EGA for crops, the Government will, nearer the time of land resumption, post notices to invite the affected farmers to claim for EGA. Upon receipt of the claims, the Government will then take stock of the crops concerned and assess the amount of EGA. Prior to such circumstances, they can still conduct farming on the private agricultural land and can vary the species planted and their quantities from time to time. In other words, farmers who genuinely farm at the concerned locations near the time of land resumption will be eligible to claim and receive EGAs. Whether they started their farming activities at the concerned locations at an earlier stage is not a pre-requisite. If we introduce a freezing survey at an earlier stage, it will be equivalent to setting a new condition requiring that the concerned farmers have to be recorded farming at the same locations at an earlier stage, in addition to the requirement that they are actually affected by the land resumption. If so, farmers with their operations started after the freezing survey will not be entitled to submit claims and receive the EGAs, notwithstanding that they are actually affected by the land resumption. We hope that the industry will carefully weigh the pros and cons of introducing freezing survey of farmers, and we stand ready to discuss with the industry further. In any case, even if Government undertakes freezing survey, it does not imply that surveyed farmers can certainly continue their operations on the concerned private land until the land resumption. It should be noted that the tenancy agreements between landowners of agricultural land and their tenant farmers, and also the related tenancy arrangements are private agreement matters. The Government cannot and

also should not intervene.

Planning for Co-existence of Retained Farm and New Developments

7. The HSK NDA project will preserve an existing chicken farm and the planning process has taken into consideration its compatibility with other land uses. An odour impact assessment has been conducted as part of the Environmental Impact Assessment (EIA) under the relevant study. Impacts from the potential odour sources within the HSK NDA, including the concerned chicken farm, have been assessed. The results show that exceedance of odour criterion would only be expected in a small area of a site zoned “Other Specified Uses” annotated “Port Back-up, Storage and Workshop Uses” which is adjacent to the chicken farm. We have proposed to designate this area for non-air sensitive uses or with the fresh air intake located at a higher level. With the implementation of the proposed mitigation measures, it is anticipated that developments within the NDA would not be subject to unacceptable odour impact. The EIA Report was approved by the Director of Environmental Protection on 15.12.2016.

Development Bureau

Agriculture, Fisheries and Conservation Department

Lands Department

Planning Department

Civil Engineering and Development Department

September 2017