Public Works Subcommittee Follow-up to meeting on 28 November 2012 PWSC(2012-13)37

1. Dr Hon Fernado CHEUNG requested to provide:

(a) the compensation packages provided to eligible "indigenous" villagers and eligible "non-indigenous" villagers affected by the Liantang/Heung Yuen Wai Boundary Control Point (the LT/HYW BCP) project; and

Existing Compensation & Rehousing Arrangements

The compensation and rehousing arrangements under the existing policy for those affected by land resumption and site clearance exercises in the New Territories for public projects such as the LT/HYW BCP project include ex-gratia zonal land compensation, village removal terms, ex-gratia allowance for farmers and agricultural resite, rehousing to public rental housing (PRH) or interim housing (IH), domestic removal allowance, and ex-gratia allowance for permitted occupiers (EGAPO). These arrangements are summarized at **Enclosure 1**. The existing compensation and rehousing arrangements are available to all those affected, including both indigenous villagers (IVs) and non-IVs, subject to meeting the relevant eligibility criteria.

Special Ex-gratia Allowance

In view of the strategic importance of the LT/HYW BCP project, special ex-gratia allowance and rehousing arrangements will be provided to eligible households affected by the project including both IVs and non-IVs. The special arrangements have been set out in PWSC Paper No. PWSC(2012-13)27. The special ex-gratia allowance comprises the following two components:

- (i) Special Ex-gratia Cash Allowance (SEGCA) for Qualified Households Qualified households affected by the clearance exercise for the LT/HYW BCP project will be offered SEGCA at a maximum amount of \$600,000, subject to meeting the eligibility criteria (as set out in PWSC Paper No. PWSC(2012-13)27), to meet their special rehousing needs.
- (ii) Domestic Removal Allowance (DRA) for All Affected Households
 All households affected by the LT/HYW BCP project and covered by
 the pre-clearance surveys are eligible for DRA ranging approximately

from \$3,000 to \$12,000, depending mainly on the size of the family, to help them meet the initial cost of moving.

Households which choose to accept the SEGCA are not eligible for and are required to forgo their entitlement to other forms of rehousing under the prevailing policy. They will also be subject to debarrment from applying for subsidised housing or related benefits for a period of three years from the date of receipt of the SEGCA.

Cottage House Option for Chuk Yuen Village and Chuk Yuen South

Chuk Yuen Village is a pre-1898 recognised village located within the Frontier Closed Area (FCA), and it will be cleared for construction of the LT/HYW BCP. The non-IVs of the village have been living with the IVs there together for a long time and have expressed a strong wish to continue living together after relocation of the village. In view of these unique special circumstances, and with a view to preserving the closely knitted community of the IVs and non-IVs located in the remote FCA, the Administration has decided to provide a "Cottage House Option" to non-IVs residing within the village environs of Chuk Yuen Village, and extend the option to those in Chuk Yuen South (subject to the determination by the Secretary for Development at his discretion on a case-by-case basis), as an alternative to satisfying their rehousing needs under the prevailing Under the "Cottage House Option", eligible non-IVs may, on a structure-for-structure basis, purchase suitable agricultural land adjoining the Chuk Yuen Village Resite Area and apply to the Lands Department for building a 2-storey domestic structure (not exceeding 19 feet) with a maximum roofed-over area of 500 square feet by way of an in-situ land exchange, subject to their paying full market value premium.

Adequacy of Assistance to Affected Clearees

Depending on whether they meet the relevant eligibility criteria, the clearees affected by the LT/HYW BCP project may have various choices to meet their special rehousing needs as detailed at **Enclosure 2**.

The Administration considers that the compensation and rehousing arrangements should provide suitable, flexible and adequate assistance to all the clearees, including both IVs and non-IVs, affected by the LT/HYW BCP project in meeting their rehousing needs.

(b) the assumptions and the methodology for projecting the forecast flow of 30 700 passengers trips per day in the design year 2030 and the design handling capacity of 30 000 passengers trips per day, in particular regarding the projected difference in passenger flow arising from the implementation of one-year multiple-entry Individual Visit Scheme for Shenzhen (SZ) permanent residents.

Methodology for projecting the forecast passenger and vehicular flows

The methodology for forecasting the traffic volume adopted for the project is a four-stage modelling approach for deriving passenger and vehicle flows, which is in line with international practice. The four stages are as follows -

- (i) Trip generation The study area (i.e. Hong Kong (HK) and the Mainland) is divided up into planning zones. The total cross-boundary passenger and cargo trips generated from and attracted to each zone are estimated, taking into account all influencing factors which reflect people's travel behaviour and characteristics of the region including population, employment situation and land use development.
- (ii) *Trip distribution* The number of trips made between pair of zones are then estimated in this stage.
- (iii) *Modal split* The transport mode used by individual trips between each pair of zones are determined, taking into account factors such as income level, car ownership, accessibility to different transport modes, etc.
- (iv) Assignment Trips made by using different land transport modes including private cars, buses, coaches, goods vehicles and container trucks are assigned to the road networks.

Assumptions for projecting the forecast passenger flow

- (i) On the assumption that the SZ permanent residents would **not need an exit endorsement** from the Mainland authorities to visit HK and using the four-stage modelling approach, the passenger flow would be about 30 700 passenger trips per day; and
- (ii) On the assumption that the SZ permanent residents **had to obtain an exit endorsement** from the Mainland authorities before visiting HK and using the four-stage modelling approach, the forecast passenger flow would be about **28 750** passenger trips per day.

Since April 2009, the SZ permanent residents have been allowed to apply for **one-year multiple-entry Individual Visit Scheme** endorsement to visit HK. As such, the forecast daily passenger trips should be higher than **28 750**, but lower than **30 700**. In view of this information and other considerations of the BCP site, both Governments agreed to adopt **30 000** passenger trips daily as the design passenger flow for the BCP.

2. Hon Emily LAU requested to provide:

(a) the overall handling capacity and passenger traffic statistics of all land-based BCPs between Hong Kong and SZ;

The estimated passenger handling capacity and daily passenger trips of the

four existing vehicular BCPs are tabulated below for reference -

Existing vehicular	Estimated Daily	Average Daily
Boundary Control	Passenger Handling	Passenger Trips ²
Point	Capacities ¹	(2-way)
	(2-way)	
Man Kam To (MKT)	32 000	limited services due
	(to be increased to 39 000	to reconstruction of
	after completion of the	the SZ side BCP ³
	improvement works) ³	
Sha Tau Kok (STK)	16 000	8 700
		[15 200]
Lok Ma Chau (LMC)	118 000	80 700
	(to be increased to 181 000	[107 100]
	after completion of the	
	improvement works) ⁴	
Shenzhen Bay	111 000	76 600
		[113 100]
Total	347 000	
	(Upon completion of	
	improvement works)	

Notes:

- 1. Taking into account the existing clearance facilities and those under planning, and the travel characteristics of cross-boundary passengers and vehicle movements during specified periods, the estimates were arrived on the assumption that all existing and planned passenger counters/e-channels and vehicle kiosks would be fully operated.
- 2. The daily passenger trips were based on statistics collected between January and November 2012. The figures in square brackets represent the highest daily passenger trips in 2012.
- 3. The SZ Wenjindu Port Passenger Clearance Area has been generally closed for reconstruction since February 2010, but has been partially operated to provide limited clearance services for cross boundary students from 22 February 2010 and cross boundary bus services from 27 March 2010. Improvement works are also being carried out at the HK MKT BCP. Upon completion, the estimated daily passenger handling capacity of the HK MKT BCP will be increased from about 32 000 to about 39 000.
- 4. Improvement works at the LMC BCP are in progress. The estimated daily passenger handling capacity of the LMC BCP will be increased from about 118 000 to about 181 000 after the completion of the improvement works.

In general, the passenger flows at vehicular BCPs are close to their respective estimated handling capacity during the peak hours or peak periods. The Administration will closely monitor the demand and take necessary measures to enhance the handling capacity of BCPs concerned. Most importantly, due to physical constraints, the existing MKT and STK BCPs at the eastern side of the New Territories could hardly be further expanded to meet the anticipated future demand for cross-boundary traffic to the eastern SZ and Guangdong. The proposed LT/HYW BCP could not only help relieve the pressure on the existing BCPs for handling

cross-boundary traffic on the eastern side but provide a shorter and direct access to eastern SZ with a view to shortening the travelling time between HK/SZ. This is also of strategic importance to support HK's long-term economic growth.

As for the other two railway based BCPs, namely **Lo Wu BCP** and **LMC Spur Line BCP**, the estimated daily handling capacities are about 425 000 and 176 000 respectively. Their average daily passenger trips are over 60% of their capacities, but are much higher during the weekends and festive periods. The highest daily passenger trips in 2012 reached about **83%** and **93%** of the estimated handling capacity of Lo Wu BCP and LMC Spur Line BCP respectively.

(b) estimate the savings in travelling time between Fanling and eastern Guangdong via the LT/HYW BCP and the Shenzhen Eastern Corridor;

At present, the HK cross boundary vehicles heading for Shantou and Huizhou at eastern Guangdong have to negotiate through local roads in HK and congested urban roads of SZ to Longgang at eastern SZ before using the **existing** Shenzhen-Shantou Expressway and the Shenzhen-Huizhou Expressway respectively. The travelling time from Fanling to Longgang via the Man Kam To BCP is about **53 minutes**. Upon commissioning of the LT/HYW BCP and the associated connecting roads leading to the Shenzhen Eastern Corridor in 2018, the estimated travelling time from Fanling to Longgang via the new BCP facilities will be about **31 minutes**, representing a time saving of **22 minutes**, i.e. **over 40%** saving in travelling time. The major routing via the BCP at both sides is shown at **Enclosure 3**.

(c) a map showing the connection on the SZ side, in particular the relevant connecting roads connecting with the LT/HYW BCP;

The connection on the SZ side, in particular the relevant connecting road linking the LT/HYW BCP with the Shenzhen Eastern Corridor is shown at **Enclosure 3**.

(d) the progress of the LT/HYW BCP project on the SZ side, including the associated connecting road and facilities and whether there is an understanding between the SZ and HK side on the timing of commissioning the LT/HYW BCP; and

On the SZ side, the site clearance and formation works for the BCP will commence in the second half of 2013. The main works including the BCP buildings and the associated connecting road are scheduled to commence in 2015. The Shenzhen Eastern Corridor is under construction and scheduled for completion in end 2014. Both Governments have agreed to commence the construction works of the BCP in 2013 for completion and

commissioning not later than 2018.

- (e) a summary to the Finance Committee (FC) setting out members' suggestions/concerns and the Administration's response on the design of the BCP during the deliberations on PWSC(2012-13)37.
- ---- The summary is at **Enclosure 4**.
- 3. Hon IP Kwok-him requested to provide information on the possible scale of expansion in the design passenger handling capacity of the LT/HYW BCP to cater for the future growth in demand.
- ---- Please refer to item 4 of **Enclosure 4**.
- 4. Hon Cyd HO requested to provide information to the FC on the respective daily vehicle flows of all existing and planned land-based BCPs, and the estimated overall traffic impact on Hong Kong's road network, in particular in urban areas of Hong Kong.

The average daily cross boundary vehicular flows at the four **existing** land-based BCPs in HK from January to October 2012 are as follows:

Boundary Control Point	Average Existing Daily Vehicular flow (2-way)
Lok Ma Chau	25 800
SZ Bay	9 800
Man Kam To	4 100
Sha Tau Kok	2 500
Total	42 200

As for the **planned** LT/HYW BCP, the forecast daily vehicular flow (2-way) is **17 850** vehicles per day in 2030. For the Hong Kong – Zhuhai – Macao Bridge, the forecast daily vehicular flow (2-way) is **9 200** to **14 000** in 2016, and **35 700** to **49 200** vehicles (2-way) per day in 2035.

Individual traffic impact assessments had been carried out for the planned BCPs. Indeed, during the planning stage for the LT/HYW BCP project, we have undertaken traffic impact assessments to assess the impact of the project on the traffic conditions of the major roads and local roads. Cross-boundary traffic at all the existing and planned land-based BCPs has been taken into account in the assessments. The impact assessments revealed that after the completion of the connecting road and the related road junction improvement works, the cross boundary traffic would have minimal impact on the HK's road network.

Besides, cross boundary vehicles, except cross-boundary goods vehicles, are subject to a regulatory regime jointly administered by the Hong Kong and Guangdong authorities, with allocation of quotas for different types of vehicles at different BCPs set at levels commensurate with the handling capacities of the respective BCPs. Upon obtaining quotas, these vehicles must also apply for closed road permits from the Transport Department of HKSAR Government for making cross boundary trips. According to our record in November 2012, the Transport Department has issued closed road permits for about 43 000 vehicles cross boundary vehicles in which only about 2 900 (i.e. less than 7%) are issued to Mainland vehicles. The majority of the cross-boundary vehicles are HK vehicles, which are already running on the roads of HK. In comparison with the licensed vehicles (650 000 by end November 2012) running in Hong Kong, these Mainland vehicles, which constitute a minute portion of the cross boundary traffic, will only have minimal impacts on the Hong Kong's road network.

5. Dr Hon CHIANG Lai-wan requested the Administration to arrange a site visit to the project site of LT/HYW BCP for interested members.

CEDD has approached interested members and has arranged a site visit to the project site of LT/HYW BCP for Dr Hon Chiang Lai-wan on 24 December 2012.

Present Compensation And Rehousing Arrangements Under Existing Policy For Land Resumption And Site Clearance In The New Territories

This note summarizes the present compensation and rehousing arrangements under existing policy for land resumption and site clearance in the New Territories.

Ex-gratia Zonal Land Compensation

1. Owners of private land, either building land or agricultural land, affected by resumption in the New Territories are eligible for the ex-gratia zonal land compensation as an alternative to statutory claims under the relevant resumption ordinance. The New Territories is divided into 4 compensation zones (i.e. A, B, C and D) which are shown on the Zonal Plan for Calculation of Compensation Rates. The compensation rates for different zones are expressed in terms of varying percentages of the basic rates for agricultural and building land. For owners of building land, compensation offers may be made based on professional valuation plus an ex-gratia compensation at the relevant zonal rate. For owners of agricultural land, compensation may be offered on the relevant ex-gratia compensation rates. If owners are dissatisfied with the ex-gratia compensation offered by Government, they may opt for statutory compensation.

Village Removal Terms

2. Under the existing New Territories Village Removal Policy, village removal exercises are carried out by negotiations wherever possible. Where land resumption is required to facilitate implementation of public works, the affected indigenous villagers (IVs) who own building lots or non-IVs who have owned building lots pre-war (prior to 25 December 1941) or by succession may be provided with village resites when their building lots are resumed. The resite house entitlements, taking into account the site area involved, would either be in the form of resite houses built by Government or a site (without a house on it) plus a building allowance equivalent to the building costs of a Government-built resite house, or in cash, known as house allowance which is equivalent to the full market value of a resite house. When post-war New Grant building lots including Small Houses granted under Small House Policy are resumed, eligible IV owners would be compensated by the grant of resite houses in the Resite Area provided that the building development has been completed. Where the building development has not been completed, the IV owner would be given a building site only in the Resite Area.

Ex-gratia Allowances for Farmers/Agricultural Resite

- 3. Ex-gratia allowances (EGA) are payable to genuine farmers in the New Territories affected by resumption or clearance. These include, amongst others, crop compensation, assessed on the basis of the market value of the crops under cultivation; disturbance allowance to assist them to re-establish elsewhere; EGA for qualified farm structures on private land, assessed at standard rates with reference to the type and floor area less depreciation value which makes references to the condition of the affected farm structures; and EGA for miscellaneous permanent improvements to farms relating to farm installations and fixtures such as water ponds, wells, fences, irrigation pipes/ditches, boundary walls, gates, bunds and other minor annexures to agricultural land, assessed at standard rates which are based on the standard replacement rates of the items less their depreciated value.
- 4. If a genuine farmer, certified by Agriculture, Fisheries and Conservation Department (AFCD), chooses to continue farming elsewhere, he would be eligible for agricultural resite, i.e. to rent (or purchase) private agricultural land to continue farming and as such may apply for a short term waiver to permit erection of a 2-storey domestic structure of a height of 5.18 metres (m)/17 feet (ft) and a maximum roofed-over area of 37.16 m²/400 ft² on their purchased private agricultural land at a rate of \$52 per m² per annum. An EGA in the form of Rehabilitation Allowance may also be payable to eligible farmers based on a standard rate calculated with reference to removal expenses and construction cost of a replacement temporary building.

Occupiers

Rehousing to Public Rental Housing (PRH) or Interim Housing (IH)

- 5. To meet genuine housing needs, the following types of occupiers may be eligible for rehousing to PRH or IH:
 - (a) occupiers of legal/permitted domestic properties resumed by Government if they satisfy the eligibility criteria for PRH or IH and can produce evidence that they have been living in the area since and before the date of the pre-clearance survey;
 - (b) permitted occupiers of a licensed domestic structure on unleased Government land or on private agricultural land if they satisfy the eligibility criteria for PRH or IH; and
 - (c) permitted occupiers of a surveyed domestic structure on private agricultural land or unleased Government land (i.e. the structure was covered by the 1982 Squatter Structure Survey and the occupiers were registered in the

1984/85 Squatter Occupancy Survey) if they satisfy the eligibility criteria for PRH or IH.

Domestic Removal Allowance

6. Occupiers of squatter structures surveyed for domestic purpose in the 1982 Squatter Structure Survey are eligible for a Domestic Removal Allowance to help them meet the initial cost of moving. The amount payable to each household depends mainly on the size of the family.

Ex-gratia allowance for permitted occupiers (EGAPO)

7. For permitted occupiers of a licensed domestic structure or a surveyed domestic structure, if they are not eligible for PRH but offered IH, they may opt for EGAPO in lieu of IH. Clearees receiving EGAPO will not be eligible for any other EGAs (including Domestic Removal Allowance) in respect of the same structure and they will be ineligible to apply for any form of public housing or related benefits for the next two years. For example, for a one-storey domestic structure with an area of 400 ft², the EGAPO will be about \$140,000.

* * * * * *

Choices of Compensation and Rehousing Arrangements Available for the Clearees Affected by the LT/HYW BCP Project

- 1. clearees who are owners of agricultural/building land the applicable ex-gratia zonal compensation rate is upgraded from Zone C and Zone D rate to Zone A rate;
- 2. clearees who are villagers eligible for village removal terms they may be rehoused in resite houses and/or receive cash compensation under the New Territories Village Removal Policy;
- 3. clearees who are genuine farmers they may apply for a short-term waiver to build a two-storey domestic structure not exceeding a height of 5.18 metres (17 feet) with 400 square feet roofed-over area on agricultural land purchased on their own under the prevailing agricultural resite policy and may also receive rehabilitation allowance under the existing compensation arrangement;
- 4. clearees who prefer to live in PRH if they meet the Comprehensive Means Test, the 1982 domestic structure and 1984/85 occupancy requirements and other PRH criteria, they would have priority in rehousing to PRH;
- 5. clearees who prefer private accommodation in a rural environment if they are qualified households for the SEGCA, the allowance will assist them in renting/buying such an accommodation in the private market;
- 6. clearees who are eligible for "Cottage House Option" if they are also qualified households for the SEGCA, the allowance will assist them to meet the cost for building the cottage house; and
- 7. clearees who do not fully meet the eligibility criteria of qualified household for the SEGCA the Secretary for Development may exercise discretion to consider whether they should be granted the SEGCA.

Enclosure 4
<u>A summary setting out Members' suggestions/concerns and the Administration's response on the design of the BCP</u>

Members' suggestions/concerns		Administration's response
1.	 Design of the public carpark to explore the possibility to increase the number of parking spaces to meet the demands to include measures to minimize the traffic chaos when the parking spaces are fully occupied. any special permit required for using the parking facilities within the BCP 	 The Administration will explore the possibility of increasing the number of parking spaces during the detailed design stage. Drivers will be notified of the status of the BCP carpark by the traffic control surveillance system such as fixed variable message signs along the connecting road and by radio broadcast within the tunnel sections. No special permit will be required.
2.	To provide adequate cross boundary students facilities in the BCP to cope with the demand and the public aspiration	The Administration will liaise with the relevant authorities to review the demand during the detailed design stage and will provide adequate pick-up and drop-off points for cross boundary student coaches and local school buses.
3.	To include provisions/measures for transferring of personnel, such as the patients in an effective way between both sides with a view to minimizing the disruption of the cross boundary vehicular traffic	The Administration will review with SZ side the arrangement for transferring of personnel (such as patients) during the detailed design stage.
4.	To reserve adequate provisions to facilitate the extension of the BCP to cope with the growth of demand in future	The Administration will explore during the detailed design stage the possibility of increasing the handling capacity of the BCP such as by addition of e-channels or converting traditional counters to e-channels (this will increase the overall passenger throughput at the control point in the order of 20%) or by adoption of the latest technology to shorten the immigration clearance time.
5.	To provide adequate traffic signs leading to the BCP and provide support facilities such as toilets, convenient stores etc for travelers	The Administration will consult the relevant stakeholders and provide adequate traffic signs leading to the BCP and supporting facilities at the BCP during the detailed design stage.