

Legislative Council Panel on Development

Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030

Supplementary Information Note

Purpose

This note provides supplementary information on the estimation of land requirements and land supply under “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” (Hong Kong 2030+).

Background

2. At the meeting and deputation hearing of the LegCo Panel on Development on 16 December 2016 and 10 March 2017 respectively, some asked about the estimated land requirements and projected land supply under Hong Kong 2030+, as well as the factors driving such demand and supply. Specifically, Members requested supplementary information on the following -

- (a) the projection methodology in respect of the estimation that an outstanding area of 200 hectares (ha) of land was required in the long term for other specific uses (including science/research and development parks and industrial estates) as mentioned in the Hong Kong 2030+, in particular, whether the estimation had included the 87 ha of land in the Lok Ma Chau Loop; and
- (b) in respect of each piece of land proposed to be developed under Hong Kong 2030+, the location, development area, population to be accommodated and use, so as to illustrate how the total area of outstanding land demand and total population to be accommodated was arrived at.

Hong Kong 2030+: A Strategic Approach

3. Land demand is driven and determined by a host of demographic, social and economic factors. Apart from housing, economic activities (e.g. commercial and industrial developments, development of new industries), government, institution or community (G/IC) facilities (e.g. schools, hospitals,

elderly homes, kindergartens, public services), open space, infrastructure (e.g. transport, water, sewerage, utilities, green/ environmental infrastructure) and community aspirations for liveability all contribute to land requirements. A detailed account of the factors driving land requirements is set out in the LegCo Paper No. CB(1)461/16-17(01) on “Overview of Land Supply” issued to the Panel on Development in January 2017. Since the discussion at the Panel meetings in early 2017, we promulgated publicly in September 2017 a paper on “Demand for Land” as issued to the Task Force on Land Supply (Paper No. 02/2017)¹.

4. Hong Kong 2030+, as an updating exercise of the territorial development strategy, serves to provide a spatial planning framework at the strategic level to guide Hong Kong’s planning, land and infrastructure development, and the shaping of its built and natural environment beyond 2030. It aims to provide a robust, broad-brush framework from the territorial strategic planning angle and sets out the major directions for Hong Kong’s long-term development to provide strategic guidance for individual projects covering more granular details. In updating the territorial development strategy, we have endeavoured to stock-take and assess the potential long-term land requirements for meeting Hong Kong’s continued housing, economic, social and environmental needs in a broad-brush manner. Details can be found in the topical papers titled “Baseline Review – Population, Housing, Economy and Spatial Development Pattern”² and “Consolidated Land Requirement and Supply Analysis”³ (the Consolidated Analysis) prepared by the Planning Department (PlanD), which have been published and uploaded onto the website of Hong Kong 2030+.

Factors Driving Land Requirements

5. With Hong Kong 2030+ being a strategic study, it is worth noting that the use/ facilities covered in the estimation therein are not exhaustive, and such a study at a macro level is not intended to make detailed estimation for individual uses/ facilities. Moreover, the estimated land requirements only reflects the information available at the time the estimation was made in 2015-16; the estimate has yet to take into account new circumstances including new policy initiatives proposed or being formulated by various bureaus/departments (B/Ds) after the Hong Kong 2030+ land requirement analysis was prepared. Given that land use planning is an on-

¹ https://www.devb.gov.hk/filemanager/en/content_1054/Paper_02_2017.pdf

² http://www.hk2030plus.hk/document/Baseline%20Review%20-%20Population_Housing_Economy%20and%20Spatial%20Development%20Pattern_Eng.pdf

³ http://www.hk2030plus.hk/document/Consolidated%20Land%20Requirement%20and%20Supply%20Analysis_Eng.pdf

going process, we will assess comprehensively, in collaboration with other B/Ds, the latest land requirements for different kinds of facilities and uses in the light of the prevailing circumstances.

Estimation of Land Demand

6. To make a broad-brush assessment on the long-term land and space requirements beyond 2030, during the study process of “Hong Kong 2030+”, PlanD had commissioned the consultancy study on “Review of Land Requirement for Grade A Offices, Business and Industrial Uses”. Besides, reference had been made to the “Long Term Housing Strategy” (LTHS) and the provision standards and guidelines for various facilities under the “Hong Kong Planning Standards and Guidelines” (HKPSG). Coupled with inputs from B/Ds, it is estimated that the total additional land requirement for the various economic land⁴, housing, G/IC facilities, open space and major transport facilities, etc. from 2014/15 to the long term (i.e. beyond 2040) will be no less than 4,800 ha, with details as follows -

- (a) **Housing:** We had estimated a total demand of about 1,670 ha for housing land based on the projection of the LTHS Annual Progress Report 2015 for the 10-year period from 2016/17 to 2025/26, and a projection covering the next 20 years up to 2046 with reference to the methodology of LTHS. This corresponds to the estimation that over the period from 2016 to 2046, about one million new housing units⁵ would be required to meet the anticipated demand (including about 600,000 public housing units and about 400,000 private housing units assuming that the 60:40 public and private housing ratio adopted in LTHS).
- (b) **Economic Activities:** Based on the consultancy study “Review of Land Requirement for Grade A Offices, Business and Industries Uses”, we have estimated a demand of about 200 ha for three types of market-driven economic uses (i.e. CBD Grade A Offices, Industries and Special Industries). Besides, there is a demand of about 257 ha for other policy-driven economic uses based on the

⁴ Excluding uses like retail and hotel as their demand is subject to external factors and hence volatile. Therefore, no land requirement assessment has been conducted for these land uses.

⁵ The total demand of one million new housing units from 2016 to 2046 comprises five major components including (i) about 431,200 units from net increase in the number of households, (ii) about 318,400 units from households displaced by redevelopment, (iii) about 106,600 units from inadequately housed households for the first 10 years from 2016 to 2026, (iv) about 110,100 units from miscellaneous factors (i.e. households with mobile residents only, non-local students and non-local buyers), and (v) adjustments to reflect the vacancy in the private housing market.

advice of relevant B/Ds having regard to the development of the respective sectors or industries and their current provision of land and space. The majority (about 248 ha) is for industrial-related uses including industrial estate (about 157 ha), science park (about 26 ha) and port back-up facilities (about 65 ha).

- (c) **G/IC, Open Space and Transport Facilities:** We have estimated a demand of about 2,592 ha for G/IC uses, open space and transport facilities based on the projected land requirement from the population-related facilities⁶ and transport facilities in accordance with the projected population increase of about 0.98 million from 2014 to 2043⁷, as well as the advice of relevant B/Ds on major special facilities⁸ and outstanding shortfalls. The estimated demand has taken into account the proposal under Hong Kong 2030+ to pitch the future provision of land for G/IC and open space at a higher population-based target of 3.5 m² and 2.5 m² per person respectively.

Details of the methodology for estimating the above land requirements are set out in page 2-29 of the PlanD's "Consolidated Analysis" mentioned in paragraph 4 above.

Estimation of Land Supply

7. Hong Kong 2030+ estimates that the land supply from the committed and planned development/redevelopment projects, as well as those under advance planning, can only meet about 3,600 ha of the relevant land requirements. The land area breakdown, by uses, of the above estimated land requirement (some 4,800 ha) and estimated land supply (some 3,600 ha) has been set out in table 4-1 of PlanD's topical paper "Consolidated Analysis". The broad distribution and areas of the relevant major land supply initiatives, including some 210 potential housing sites identified in land use reviews and the New Development Area (NDA) projects, are set out in Annexes D and E of the Administration's paper on "Overview of Land Supply" (CB(1)461/16-

⁶ Population-related facilities refer to the G/IC uses and open space which are planned per-capita under the HKPSG. Examples include schools, hospitals, police stations and fire stations.

⁷ Based on the Hong Kong Population Projections 2015-2064 released by the Census and Statistics Department in September 2015.

⁸ Individual policy bureaux may have specific policy measures in support of various special facilities which in general are not directly tied to the population level according to the HKPSG. Examples include regional open spaces, tertiary/post-secondary educational facilities, international schools, water and sewage treatment works, drainage facilities, waste management and handling facilities, etc.

17(01)) submitted by the Development Bureau to the LegCo Panel on Development in January 2017.

Shortfall in Land Supply

8. On the question about the planned supply of economic land in Lok Ma Chau Loop (the Loop), with reference to the recommendations in the “Planning and Engineering Study on Development of Lok Ma Chau Loop – Investigation” which was the best available information at the time of undertaking the land supply exercise under Hong Kong 2030+, about 10 ha of the Loop has been included in the land supply for “Special Industries” which includes high-tech research and development (“R&D”). Details of the economic land supply have been set out in Figure 1-1 of “Consolidated Analysis”. The Hong Kong-Shenzhen Innovation and Technology Park Limited is conducting the Master Planning Study for the Hong Kong-Shenzhen Innovation and Technology Park at the Loop. Subject to confirmation of land uses and development parameters under the Master Plan, there is scope to increase the eventual supply of land for “Special Industries” from the Loop which can contribute partly towards the 200 ha of estimated shortfall for specific non market-driven economic uses.

9. Based on the estimation of land requirements and land supply as set out above, Hong Kong 2030+ estimates that there is an anticipated land shortfall of at least 1,200 ha in the long run, including about 300 ha for economic uses, about 200 ha for housing, and about 700 ha for G/IC, open space and transport facilities. Among others, the outstanding economic land requirement includes about 200 ha for other specific uses, which comprise those non market-driven economic uses requiring relevant policy support. This estimation was mainly based on the land requirements for various specific economic uses advised by the relevant B/Ds, upon discounting the anticipated land supply available from the existing, planned and committed developments.

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