發展局
規劃地政科

香港添馬添美道二號
政府總部西翼十七樓

本局檔號 Our Ref.
來函檔號 Your Ref.

Planning and Lands Branch
Development Bureau

17/F, West Wing
Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

電話 Tel.:
傳真 Fax :

11 April 2018

Clerk to Public Works Subcommittee
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road, Central
Hong Kong
(Attn: Ms Doris LO)

Dear Ms LO,

Public Works Subcommittee
Follow-up Actions for Meeting on 28 March 2018

The supplementary information regarding PWSC(2017-18)34 ("748CL Development of Lok Ma Chau Loop – land decontamination and advance engineering works" and "760CL – Development of Lok Ma Chau Loop – Main Works Package 1") as requested by Members at the captioned meeting, and the responses to the written questions submitted to the Public Works Subcommittee by Hon. WU Chi-wai and Hon. CHU Hoi-dick respectively on 28 March 2018, are attached as **Annexes 1 to 3** for members reference.

Yours sincerely,

(original signed)

(Ivan CHUNG)
for Secretary for Development

c.c. (with Annexes)

Secretary for Financial Services and the Treasury	(Attn: Ms Margaret HSIA)
Secretary for Innovation and Technology	(Attn: Mr. Ricky KM CHONG)
Commissioner for Innovation and Technology	(Attn: Ms. Annie SH CHOI)
Director of Civil Engineering & Development	(Attn: Mr. LAM Sai-hung)
Director of Planning	(Attn: Ms. Maggie MY CHIN & Ms. Winnie BY LAU)

Annex 1

Administration's responses to PWSC Members' requests for supplementary information at the meeting on 28 March 2018

(English translation of Administration's responses)

1. **At the request of Hon. AU Nok-hin, the Administration shall provide supplementary information on the land decontamination method and expenditure for the Lok Ma Chau Loop.**

Reply:

For the land decontamination works to be carried out for the Lok Ma Chau Loop area (the Loop), we will adopt the 'Solidification/Stabilisation' method to treat the contaminated soil. Under the process of 'Solidification/Stabilisation', we will firstly excavate the contaminated soil, and then mix them thoroughly with solidification/stabilisation agents (such as cement) in large mixer within the site. All the treated soil will be back-filled within the Loop and will not be delivered to landfill or other places. The estimated cost of land decontamination is $58.9 million. Based on the estimated quantity of 57,000 cubic metres of contaminated soils requiring treatment, the unit cost of treating contaminated soil is approximately $1,000 per cubic metre. As the Advance Works is at the tender stage, it is not desirable to disclose the detailed breakdown of land decontamination cost at this stage.

2. **At the request of Hon. KWONG Chun-yu, the Administration shall provide supplementary information on the illegal pond-filling acitivties in the surrounding areas of the Loop and the enforcement actions taken by the Government.**

Reply:

The Planning Department (PlanD) is currently processing four enforcement cases under the Town Planning Ordinance involving unauthorized filling of pond near Tai Law Hau and Lo Ma Chau Control Point in the vicinity of the Loop. The Planning Authority (PA) has issued "Enforcement Notice" (EN) and "Reinstatement Notice" (RN) to the respective land owners of these cases. Compliance periods of three RN cases had expired between

January and February this year. PlanD is gathering information for taking further enforcement and prosecution actions. The notice recipient of the other case was already convicted with a fine of $24,400 by the Court in December 2017 for not complying with the RN requirements. In the past three years, the PA has successfully prosecuted another five unauthorized pond filling cases with fines between $30,000 and $200,000. The concerned ponds have also been reinstated to their original state.

3. At the request of Hon. CHU Hoi-dick, the Administration shall provide the following supplementary information on:

(a) the list of projects and their locations, development proposals and latest progress in relation to the land reserves of 200 hectares for innovation and technology development within the New Development Areas and Industrial Estates, and whether the Administration will release the land reserves for other developments; and

(b) whether Shenzhen Metro has reserved any area at Fulin Station for future connection with the Hong Kong-Shenzhen Innovation and Technology Park ("the Park") in the Loop.

Reply:

The Government has been actively identifying land to dovetail with the development of innovation and technology ("I&T") in order to provide the necessary operating space for the development of the sector. The Government will examine the most suitable use for each site having regard to the latest situation as appropriate. Last year, in the light of the latest situation including the development of the Loop, the Innovation and Technology Bureau and the Development Bureau reviewed the various sites reserved for I&T development and decided to release a total of 84.8 ha of reserved land, including 74 ha at Lung Kwu Tan and 10.8 ha at Tuen Mun Area 38. The Government will continue to review from time to time the demand for I&T land so as to dovetail with the development of relevant industries. Information on the sites currently reserved for I&T uses are set out in the **table** below.

Land Reserved for I&T Development

	Site	Approximate site area planned for I&T uses	Latest position
Sites already granted to the Hong Kong Science and Technology Parks Corporation ("HKSTPC"), or to be granted to HKSTPC with development concepts (about 97.8 hectares in total)			
1.	Remaining sites within the Industrial Estates in Tseung Kwan O, Yuen Long and Tai Po	10.5 hectares (excluding 3 hectares of land reserved for data centre development in Tseung Kwan O Area 85)	The sites will be developed by the HKSTPC according to the re-industrialisation policy.
2.	Government land at the junction of Chong San Road and Science Park Road, Pak Shek Kok, Tai Po	0.28 hectares	HKSTPC will construct an InnoCell to provide residential units with flexible design and ancillary facilities for leasing to the tenants and incubatees of Hong Kong Science Park for their principals, employees or visiting researchers from the Mainland or overseas. The project is expected to be completed in 2021.
3.	Lok Ma Chau Loop	87 hectares	Subject to funding approval of the Legislative Council in the first half of 2018, the Advance Works and detailed design of the Main Works Package 1 will commence in mid-2018. If the works progress smoothly, it is expected that the first batch of land parcels can be made available to the Hong Kong-Shenzhen Innovation and Technology Park Limited (a subsidiary company wholly owned by HKSTPC) by 2021 for the construction of the superstructure and related facilities.

	Site	Approximate site area planned for I&T uses	Latest position
Sites approved for I&T uses under Outline Zoning Plans (OZPs) (about 26.5 hectares in total)			
4.	Kwu Tung North New Development Area	17.5 hectares	The sites are zoned "Other Specified Uses" annotated "Research and Development" (5.8 hectares) or "Business and Technology Park" (11.7 hectares) on the OZP.
5.	Hung Shui Kiu New Development Area	9 hectares	Sites are reserved for I&T related development on the OZP.
Sites subject to further study (about 105 hectares in total)			
6.	Yuen Long Industrial Estate Extension at Wang Chau	15 hectares (subject to further study)	According to the planning and engineering study completed by HKSTPC in February 2014, the site is technically feasible for the development of the industrial estate expansion.
7.	Site near Liantang / Heung Yuen Wai Boundary Control Point	56 hectares (subject to further study)	According to the preliminary planning study commissioned by HKSTPC, the site is technically feasible for the development of science park and industrial estates.
8.	New Territories North (NTN)	34 hectares (subject to further study)	In the Preliminary Feasibility Study on Developing the NTN, several sites located within the Potential Development Areas in NTN have been identified as having potential for I&T-related development. Detailed development plans for the identified sites are subject to further study.

In the Planning and Engineering Study on Development of Lok Ma Chau Loop completed in 2014, it is recommended to consider providing a pedestrian link and associated boundary crossing facilities within the Loop for a direct connection with Shenzhen in the long term (indicative location

of the possible link is in vicinity of Fulin Station of Shenzhen Metro Line 7). The proposal is subject to further study. In the context of the Loop development, there is currently no liaison between Hong Kong side and Shenzhen side on the possible link with Shenzhen with boundary crossing facilities.

Annex 2

Administration's responses to the letter of 28 March 2018 submitted by Hon. WU Chi-wai

(Note: The exact wording of the questions is set out in Hon. WU Chi-wai's letter (Chinese version only))

(English translation of Administration's responses)

1. About the master planning study and business strategy and model study to be commissioned by the Hong Kong-Shenzhen Innovation and Technology Park Limited for the Hong Kong-Shenzhen Innovation and Technology Park:

Reply:

At present, the Hong Kong-Shenzhen Innovation and Technology Park Limited ("HSITPL") is conducting the Master Planning Study and Business Model and Business Planning Study for the development of the Hong Kong-Shenzhen Innovation and Technology Park ("the Park"). The former aims to study the appropriate land uses, built form, place making themes, development parameters and technical feasibility of the Park taking into account the requirements of the "Lok Ma Chau Loop Outline Zoning Plan" and the Environment Permit issued by the Environmental Protection Department, while the latter aims to recommend proposals for the strategic positioning, detailed businesses, facility requirements and business model of the Park, which will also include the study of measures and plans for attracting the presence of relevant companies and talents.

The Park will form a key base for scientific research collaborations. We will endeavour to attract renowned overseas and Mainland scientific research institutions and enterprises to establish their presence in the Park, and pull together the local scientific research institutions and enterprises. We are open regarding the institutions/enterprises to be established in the Park in future, and have no plan at present to set the proportion of institutions/enterprises by origins.

HSITPL has granted the contracts for the two aforementioned consultancy studies, and has for each of them set up a Task Force comprising mainly directors of HSTIPL, innovation and technology ("I&T") sector and

planning professionals to steer and monitor their progress. The consultants will regularly report the progress of the studies to the Task Forces. Meanwhile, according to the "Memorandum of Understanding on Jointly Developing the Lok Ma Chau Loop by Hong Kong and Shenzhen", the "Joint Task Force on the Development of the Hong Kong-Shenzhen Innovation and Technology Park" ("the Joint Task Force") is responsible for studying and discussing major issues on the development of the Park. The Joint Task Force will discuss the progress of the studies as and when appropriate. The reports of the studies would be subject to the approval of HSITPL's Board of Directors.

2. About investment promotion to attract international enterprises:

Reply:

Findings of the two aforementioned consultancy studies will provide important references for working out the detailed planning and operation model etc. of the Park. Upon completion of the studies and devising the Park's strategic positioning, HSITPL will proceed with investment promotion to global and local companies.

3. About the institutions with intention of investing or setting up research and development center in Hong Kong; and

4. About the strategy and measures to attract international enterprises/research institutions.

Reply:

The Innovation and Technology Bureau ("ITB") is committed to promoting I&T co-operation between Hong Kong and the overseas and Mainland. To this end, we have been improving the I&T ecosystem in Hong Kong through various measures to enhance Hong Kong's attractiveness to international scientific research institutions and technology enterprises and to lay a good foundation for the investment promotion of the Park. Over the past few years, an atmosphere favourable to I&T development has gradually built up in Hong Kong, with internationally renowned research institutions such as the Massachusetts Institute of Technology from the

United States, the Karolinska Institutet from Sweden and the Guangzhou Institute of Biomedicine and Health under the Chinese Academy of Sciences settling in Hong Kong one by one.

Attracting international scientific research institutions and technology enterprises to Hong Kong (including the Park in future) is ITB's continuous work target. To this end, we have been maintaining contact with various credible international scientific research institutions and promoting Hong Kong's I&T culture, strength and potentials through organising and participating in a variety of events. We will continue to focus on promoting the development of competitive industries, including biotechnology, artificial intelligence, robotics, and smart city etc. On the other hand, the Hong Kong Science and Technology Parks Corporation ("HKSTPC") attracts institutions from overseas and the Mainland to Hong Kong through participating in technology seminars and exhibitions in other places to showcase the I&T achievements of the companies in the Hong Kong Science Park (HKSP) and promote its facilities and support services. ITB and HKSTPC will continue to collaborate with Invest Hong Kong ("InvestHK") and the Economic and Trade Offices in overseas and the Mainland to promote Hong Kong's latest I&T situation and opportunities, thereby attracting international scientific research institutions and technology enterprises to develop in Hong Kong.

InvestHK will continue to adopt a sector-focused approach in attracting overseas and Mainland companies in priority sectors where Hong Kong has a clear competitive edge through its global network of investment promotion units and overseas consultants. I&T is one of the key areas.

In addition, InvestHK has an established programme to conduct aftercare contacts with investors it has previously assisted and other strategic multinational companies already set up in Hong Kong to keep track of their developments, encourage them to expand their businesses and to locate their regional headquarters and other strategic functions such as research and development ("R&D') and treasury management functions in Hong Kong.

We do not maintain the statistics on the number of institutions with intentions to set up R&D in Hong Kong we have contacted.

The recent Budget announced that the Government will earmark $10 billion for the establishment of two research clusters, one focusing on healthcare technologies and the other on artificial intelligence and robotics technologies. Financial support will be provided to non-profit-making scientific research institutions that will establish their presence in these two clusters. Also, we will implement measures to provide enhanced tax deductions for the qualifying R&D expenditure incurred by enterprises. These measures will help attract top research institutions and technology enterprises to Hong Kong.

Apart from the above, to reinforce the role of HKSP as Hong Kong's technology flagship infrastructure and to further strengthen Hong Kong's R&D capabilities, the Government will allocate $10 billion to the HKSTPC, amongst which $3 billion will be used for supporting HKSTPC to convert one of the buildings in the HKSP to provide more laboratory space, and to construct pilot test production facility, animal research facility, robotics testing facility and other related scientific research facilities for the use by I&T sector. The remaining $7 billion will be spent on enhancing HKSTPC's support services for its tenants and incubates, such as expanding HKSTPC's Corporate Venture Fund and incubation programmes, to attract more international overseas research institutions and technology enterprises to Hong Kong.

Annex 3

Administration's responses to the letter of 28 March 2018 submitted by Hon. CHU Hoi-dick

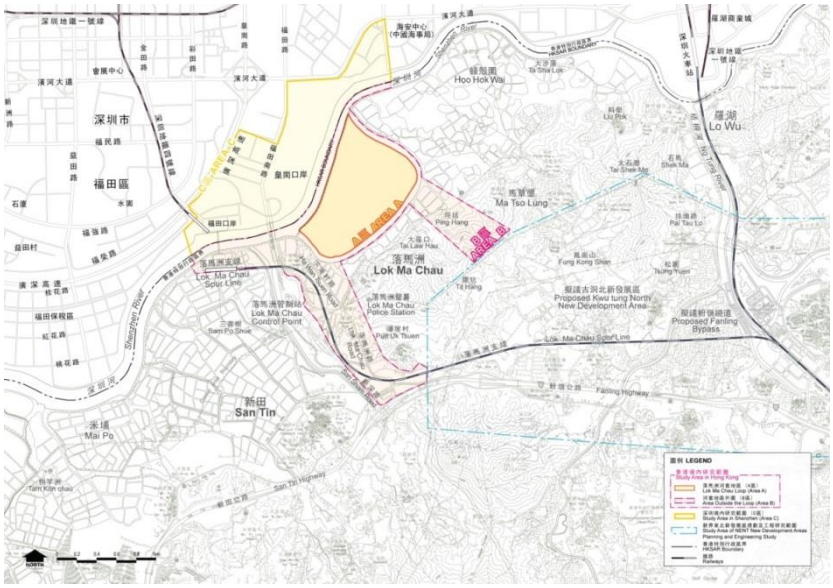
(Note: The exact wording of the questions is set out in Hon. CHU Hoi-dick's letter (Chinese version only))

(English translation of Administration's responses)

1. Study reports for Area C and Area B under the Planning and Engineering Study on Development of Lok Ma Chau Loop

Reply:

The Study Area of the Planning and Engineering Study on Development of Lok Ma Chau Loop (the P&E Study) comprises three areas: Area A (about 88ha), Area B (about 182 ha) and Area C (about 167ha) (see **Figure** below).



Study Area of the P&E Study

Area A and Area B fall within the boundary of the Hong Kong Special Administrative Region (HKSAR) and are covered by the P&E Study. Area B is mainly planned for the provision of transport connections and infrastructures for the development of the Lok Ma Chau Loop (the Loop). The executive summary of the P&E Study is available on the website of

the Planning Department[1]. Area C abutting the Loop falls within the boundary of the Shenzhen Municipality. The study for Area C was commissioned by the People's Government of Shenzhen Municipality and the development proposal thereat will be in collaboration with the Loop development. Shenzhen did not provide the final documentation of the study for Area C to the HKSAR Government.

2. Traffic impact assessment for the Loop and the proposed road connections to Kwu Tung North and to Shenzhen

Reply:

The transport and traffic impact assessment for the Loop development was completed under the P&E Study. The executive summary of the technical report is available on the website of the Planning Department[2].

According to the P&E Study, the need for the Eastern Connection Road linking to Kwu Tung North New Development Area in Phase 2 of the Loop development will be subject to further review of the overall traffic condition. Environmental Impact Assessment (EIA) shall be conducted under the EIA Ordinance.

In long term, the P&E Study recommended the consideration of providing a pedestrian link between the Loop and Shenzhen with associated boundary crossing facilities. The proposal is subject to further study.

3. Liaison between Hong Kong and Shenzhen regarding the linkage between the Loop and Fulin Station in Shenzhen

Reply:

In the P&E Study completed in 2014, it is recommended to consider providing a pedestrian link and associated boundary crossing facilities within the Loop for a direct connection with Shenzhen in the long term (indicative location of the possible link is in the vicinity of Fulin Station of

---

(1) Planning and Engineering Study on Development of Lok Ma Chau Loop: https://www.pland.gov.hk/pland_en/p_study/comp_s/lmcloop/eng/index.html

(2) Planning and Engineering Study on Development of Lok Ma Chau Loop – Summary of Technical Reports: https://www.pland.gov.hk/pland_en/p_study/comp_s/lmcloop/eng/technical.html

Shenzhen Metro Line 7). The proposal is subject to further study. In the context of the Loop development, there is currently no liaison between Hong Kong side and Shenzhen side on the possible link with Shenzhen with boundary crossing facilities.

4. Follow-up for the earlier questions submitted under the funding approval for the establishment of the Innovation and Technology Bureau

Reply:

As regards Hon. Chu's letter dated 9 February on the establishment of the Innovation and Technology ("ITB"), the Innovation and Technology Bureau (ITB) has issued a reply on 10 April via email.

5. Planned population for the Loop

Reply:

In the document "Consideration of New Draft Lok Ma Chau Loop Outline Zoning Plan (OZP)" submitted by the Planning Department to the Town Planning Board in May 2017, the planned working/student population in the Loop was estimated to be in the range of 50 000 to 53 000. The estimation was based on the Recommended Outline Development Plan formulated under the P&E Study and the operation experience of the Hong Kong Science Park (HKSP). Upon completion of the Stage 1 of HKSP Expansion, the total gross floor area ("GFA") of HKSP will be 400 000m^2, creating an estimate of about 17 000 jobs. The GFA of the Hong Kong-Shenzhen Innovation and Technology Park ("the Park") will be three times that of the HKSP. On a proportional basis, it is estimated that around 50 000 jobs will be created. Innovation and technology ("I&T") development involves cross-region and cross-border exchanges of talents and knowledge. At present, there is no plan to restrict the proportion of local, Mainland or overseas personnel to be employed by the enterprises and institutions in the Park.

6. Overall funding and programme

Reply:

At present, the Loop development is still in its initial stage and the accurate estimate on its overall development cost is not available. That said, according to a rough estimate by the Government a few years ago, the cost of site formation and construction of infrastructure in the Loop was about $15 billion.

As regards the construction cost of the superstructures, reference could be made to the phased construction of the first three phases of HKSP and the Stage 1 of HKSP Expansion over the past 20 years. The GFA of the 400 000 m^2 therein involved a historical cost of $16.5 billion (i.e. current value of over $20 billion). If the historical cost of HKSP is used as the basis for the estimation without taking into account the inflation of construction costs, the construction cost of the superstructures of the Park is roughly estimated to be about $50 billion to $60 billion, given that the total GFA of the Park being about three times that of HKSP. Notwithstanding, the ultimate cost would depend on a number of factors such as detailed planning of the Park, user requirements, detailed design of the buildings and inflation of construction costs, etc. Besides, as the Park is a long-term development project spanning over 10 to 20 years, the expenditure of the aforesaid cost would phase over a number of years. The Hong Kong-Shenzhen Innovation and Technology Park Limited (HSITPL) is conducting the Master Planning Study and the Business Model and Business Planning Study for the development of the Park. Pending more precise estimates, the Government will seek funding approval from the Legislative Council (LegCo) in accordance with the established procedures.

Subject to LegCo's funding approval, we plan to commence the construction of the Advance Works in mid-2018 for completion by 2021. If the works are in good progress, it is anticipated to hand over the first batch of land parcels to HSITPL for the construction of superstructures and associated facilities in 2021 or before. We also plan to commence the detailed design and site investigation of the Main Works Package 1 in mid-2018 for completion by early 2023. Subject to the progress of the detailed design and site investigation, we will seek funding approval from

LegCo for the construction of the Main Works Package 1 in phases. We will also timely commence the subsequent design of the works to dovetail with the development programme of Phase 2 of the Park.

7. The proposed ecological area

Reply:

According to the EIA report[(3)] approved under the EIA Ordinance, a series of ecological mitigation measures shall be implemented to minimise the ecological impact during the construction and operation stages of the Loop development. One of the key ecological mitigation measures to be implemented under the Advance Works is to establish an Ecological Area. The Ecological Area with an area of about 12.8 ha is located in the southeastern part of the Loop. It is designed as a strip-shape marsh area formed by embankments and will be divided into 4 reed cells and 1 marsh habitat cell for planting mainly of reeds and some aquatic plants. Each cell is connected by channels with sluice gates controlling the water level in each cell so as to ensure the natural growth of reeds and aquatic plants. Grasses and suitable plants will be also planted on the embankment slopes of the cells to enrich the biodiversity. The Ecological Area will be formed by construction of embankments and separation dykes, followed by excavation of the proposed cells to the design level for planting of reeds and aquatic plants, and diversion of water to the cells to create the marsh area. There will also be small islands in the marsh habitat cell to provide for a variety of habitats attracting animals to settle.

The capital cost of the Ecological Area is estimated to be about $230 million in money-of-the-day prices and the breakdown is as follows –

(a)	site formation	$61 million
(b)	embankment formation	$127 million
(c)	planting and establishment of reed marsh and marsh habitat and associated works.	$42 million

(3) Planning and Engineering Study on Development of Lok Ma Chau Loop – Investigation – Environmental Impact Assessment Report: http://www.epd.gov.hk/eia/register/report/eiareport/eia_2122013/Loop1.htm

8. Management of construction waste

Reply:

The Government has been properly managing the construction waste (including inert construction and demolition (C&D) materials (i.e. public fill)) from various types of construction projects, implementing appropriate measures through the Public Fill Committee to encourage and promote the construction industry, including public works projects, to reduce the generation of and maximise the reuse of C&D materials, as well as operating public fill reception facilities at strategic locations.

At present, in the planning and design stages of mega infrastructure works projects, the Public Fill Committee will review the proposals of the project proponents to ensure that the construction waste generation would be minimised and the public fill would be reused as far as possible. During the construction stage, the contractor shall submit a Waste Management Plan and undertake the "Trip-ticket System" to record the daily disposal of construction waste from the works site. The relevant records will be monitored and reviewed by the project supervisory staff to ensure effective operation of the system. After disposal of the construction waste at the designated receiving locations, the delivery records will be returned to the project supervisory staff for verifying that the construction waste is properly disposed of in accordance with the requirements of the system. The project supervisory staff and the contractor must also maintain the complete records for future inspection.

The public can learn about the Government's management strategy for public fill through the Civil Engineering and Development Department's website[(4)]. Reference could also be made to statistical figures related to handling of C&D materials in the "Monitoring of Solid Waste in Hong Kong" compiled annually by the Environmental Protection Department.

---

(4) Civil Engineering and Development Department: http://www.cedd.gov.hk/tc/services/fm/index.html

9. Proposed land decontamination

Reply:

For the land decontamination works to be carried out for the Loop, we will adopt the 'Solidification/Stabilisation' method to treat the contaminated soil. Under the process of 'Solidification/Stabilisation', we will firstly excavate the contaminated soil, and then mix them thoroughly with solidification/stabilisation agents (such as cement) in large mixer within the site. All the treated soil will be back-filled within the Loop and will not be delivered to landfill or other places. During the process of excavation and soil treatment, we will adopt relevant construction safety measures (such as personal protective clothing) to enhance the safety of site environment, workers' health and construction safety during the construction stage. Besides, the volume of soil after treatment by 'Solidification/Stabilisation' will be subject to details of treatment process, such as the cement content, soil properties and curling time, etc. Details of treatment process could only be confirmed by the contractor subject to the results of field trial at the early construction stage.

The estimated cost of land decontamination is $58.9 million. Based on the estimated quantity of 57,000 cubic metres of contaminated soils requiring treatment, the unit cost of treating contaminated soil is approximately $1,000 per cubic metre. As the Advance Works is at the tender stage, it is not desirable to disclose the detailed breakdown of land decontamination cost at this stage.