

**For discussion on
16 January 2018**

**LEGISLATIVE COUNCIL
PANEL ON COMMERCE AND INDUSTRY**

PWP Item No. 748CL – Development of Lok Ma Chau Loop - land decontamination and advance engineering works

PWP Item No. 760CL – Development of Lok Ma Chau Loop – main works package 1

PURPOSE

This paper briefs Members on our proposals to -

- (a) upgrade **748CL** to Category A at an estimated cost of \$517.6 million in money-of-the-day (MOD) prices for carrying out land decontamination within the Lok Ma Chau Loop (the Loop) and advance engineering works (advance works);
- (b) upgrade part of **760CL**, entitled “Development of Lok Ma Chau Loop – main works package 1 – detailed design and site investigation” to Category A at an estimated cost of \$268.3 million in MOD prices for engaging consultants to undertake detailed design and site investigation for the site formation of the Loop and associated infrastructure works; and
- (c) retain the remainder of **760CL** in Category B.

PROJECT SCOPE AND NATURE

Advance works

2. **748CL** which we propose to upgrade to Category A comprises -

- (a) land decontamination treatment within the Loop;
- (b) establishment of an Ecological Area (EA) within the Loop;

- (c) construction of a temporary access to the Loop, comprising an approximately 60 metre (m) long temporary vehicular bridge across the old Shenzhen River meander, minor improvement works to Ha Wan Tsuen East Road and other ancillary works;
- (d) construction of temporary noise barriers and miscellaneous road works along Lok Ma Chau Road;
- (e) ground treatment to the first batch of land parcels within the Loop for development of buildings and associated facilities under Phase 1 of the Hong Kong-Shenzhen Innovation and Technology Park (the Park) and the western electricity substation; and
- (f) implementation of environmental mitigation measures for the works mentioned in paragraphs 2(a) to (e) above.

Main works package 1 – detailed design and site investigation

3. The part of **760CL** that we propose to upgrade to Category A comprises –
 - (a) detailed design of site formation works, roadworks, infrastructure/supporting facilities and environmental mitigation works for Phase 1 of the Park;
 - (b) site investigation works and supervision; and
 - (c) preparation of tender documents and assessment of tenders for the future construction works of the main works package 1.
4. Layout plans showing the proposed works are at **Enclosure 1**.
5. Subject to funding approval of the Finance Committee (FC), we plan to start construction of the proposed advance works and the detailed design for the main works package 1 in mid-2018 for completion by end 2021 and early 2023 respectively.
6. After upgrading **748CL** and part of **760CL** as mentioned in paragraphs 2 and 3 above, we will retain the remainder of **760CL** for construction of main works package 1 in Category B. Funding for the remainder of **760CL** will be sought to dovetail with the implementation programme of the Loop development.

JUSTIFICATION

7. The Loop development, as one of the ten major infrastructure projects announced by the former Chief Executive in his 2007-08 Policy Address for economic growth, is a mega and complex project. The planning and engineering study for the development of the Loop (the P&E Study) funded under PWP Item No. **735CL** was completed in 2014. The P&E Study investigated the feasibility and formulated a comprehensive development plan for the Loop taking into account the prevailing planning circumstances and public views collected through public engagement.

8. On 3 January 2017, the Hong Kong Special Administrative Region Government (HKSARG) and Shenzhen Municipal People's Government (SZMG) signed a memorandum of understanding (the MOU), agreeing to, under the "one country, two systems" principle and in accordance with the Basic Law, jointly develop the Loop into the Park and establish a key base for co-operation in scientific research with related higher education, cultural and creative and other complementary facilities in the Park. According to the MOU, the HKSARG will be responsible for the construction of the infrastructure within the Loop (including site formation and infrastructural facilities) and the provision of supporting infrastructural facilities outside the Loop which are necessary to the development of the Loop and its surrounding areas, and will lease the formed land within the Loop to Hong Kong Science and Technology Parks Corporation (HKSTPC) by appropriate land disposal means for the development of the Park. The HKSTPC will set up a wholly-owned subsidiary company which will be vested with the responsibility to build the superstructure of the Park, as well as to operate, maintain and manage the same. On 6 October 2017, the subsidiary company named Hong Kong-Shenzhen Innovation and Technology Park Limited was incorporated.

9. The Park will be developed with innovation and technology (I&T) as the main focus, where a key base for cooperation in scientific research, and relevant higher education, creative and cultural and other complementary facilities will be set up. The Park will provide a maximum total gross floor area of 1.2 million square metres, which will be the largest I&T platform ever established in the history of Hong Kong and the most important infrastructure for driving research and development and "re-industrialisation".

10. The Park will be developed in two main phases. The site formation and infrastructure for the Loop development will be delivered through different works packages, with initially the advance works and then the main works package 1. The advance works to be undertaken by the Government are to pave way for the subsequent construction works for the Loop development and to

enable early provision of the first batch of land parcels within the Loop for development of buildings and associated facilities under Phase 1 of the Park and the western electricity substation by CLP Power Hong Kong Limited by 2021.

11. Please refer to the ‘Environmental Implications’ section in paragraphs 16 to 18 below for justifications of the proposed land decontamination treatment and the proposed EA.

FINANCIAL IMPLICATIONS

12. We estimate the capital cost of the proposed advance works under **748CL** and the cost of the proposed detailed design and site investigation under **760CL (part)** to be \$517.6 million and \$268.3 million respectively in MOD prices.

PUBLIC CONSULTATION

13. We consulted the Legislative Council Panel on Commerce and Industry, Panel on Development and Panel on Information Technology and Broadcasting on 6 March 2017 (LC Paper No. CB(1)624/16-17(01)) on the development plan of the Park.

14. We consulted San Tin Rural Committee (STRC) on 24 February 2017 and the Town Planning and Development Committee of Yuen Long District Council (TPDC) on 15 March 2017 on the proposed advance works. STRC and TPDC had no objection to the proposed advance works. We also consulted STRC on 26 May 2017, YLDC on 27 June 2017, Sheung Shui District Rural Committee (SSDRC) on 13 July 2017 and North District Council (NDC) on 27 July 2017 on the Loop development when their views were sought on the draft Lok Ma Chau Loop Outline Zoning Plan. STRC, SSDRC, YLDC and NDC had no objection to the proposed Loop development but requested the Government to further consider bundling the Loop development with the development of adjacent areas and implementing traffic improvement measures. We will further consider their views and consult them again during the detailed design of the main works package 1.

15. We gazetted the proposed road works of the advance works under the Roads (Works, Use and Compensation) Ordinance (Cap. 370) on 8 June 2017. During the statutory objection period, no objection to the proposed road scheme was received. The authorisation notice was gazetted on 22 September 2017.

ENVIRONMENTAL IMPLICATIONS

16. The P&E Study mentioned in paragraph 7 above is a Designated Project (DP) under Schedule 3 of the Environmental Impact Assessment (EIA) Ordinance. In October 2013, the EIA report for the Loop development was approved by the Environmental Protection Department pursuant to the EIA Ordinance. The EIA report concluded that with implementation of the recommended mitigation measures and environmental monitoring and audit programme, the environmental impacts arising from the proposed works could be mitigated to ensure compliance with the statutory requirements.

17. According to the approved conditions of the EIA report, a series of ecological mitigation measures shall be implemented to reduce 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 proposed advance works is to establish an EA of about 12.8 ha comprising reed marsh and marsh habitat for reed marsh compensation prior to the complete clearance of the affected reed marsh within the Loop. Apart from ecological mitigation measures, we will incorporate other recommended mitigation measures into the works contract of the proposed advance works to control environmental impacts arising from the construction works to comply with established standard and guidelines. These measures include erection of site hoarding, noise barriers, noise enclosures, use of quiet powered mechanical equipment, construction site drainage system and conducting dust suppression spraying, etc.

18. Land contamination assessment was also carried out under the P&E Study. According to the P&E Study findings, land contamination within the Loop was not serious. Further site investigation was carried out during the detailed design of the advance works, which confirmed that contaminated soil necessitating treatment was limited to local spots with total quantity of about 57,000 m³. This was in line with the findings of the approved EIA report. We will carry out land decontamination treatment by solidification/stabilisation method for these local spots in accordance with the Remediation Action Plan recommended in the EIA report. The remediated soil would be backfilled within the Loop and would not be conveyed to landfill sites or other places.

19. The site investigation works will only generate minimal construction waste. We will require the consultants to comprehensively examine measures to minimise generation of construction waste and to reuse/ recycle construction waste as much as possible for implementation in the construction stage of the Loop development in future.

HERITAGE IMPLICATIONS

20. No sites of archaeological interest are identified within the Loop and along Ha Wan Tsuen East Road and Lok Ma Chau Road. Based on desk-top assessment, most areas within the Loop and along Ha Wan Tsuen East Road and Lok Ma Chau Road are of low archaeological potential. An archaeological survey was conducted in early 2012 under the EIA study to assess the impact on cultural remains. The desk-top review and archaeological survey have concluded that the proposed advance works will have no adverse archaeological impact.

21. There is no declared monument within the advance works boundary or in its vicinity. The Lok Ma Chau Police Station and Mi Tak Study Hall, which are both Grade 2 historic buildings, are in the vicinity of Ha Wan Tsuen East Road and Lok Ma Chau Road but over 200m away from the proposed advance works area. Direct or indirect impacts to them are not expected.

LAND ACQUISITION

22. The proposed advance works under 748CL do not require any land resumption but minor clearance works are required. The proposed detailed design and site investigation works for main works package 1 under 760CL do not require any land acquisition.

BACKGROUND INFORMATION

23. On 24 April 2009, the Finance Committee approved upgrading of **735CL** “Planning and engineering study and site investigation on development of Lok Ma Chau Loop : consultants’ fees and site investigation” to Category A at an approved project estimate of \$33.7 million in MOD prices for engaging consultants to undertake the P&E Study. The P&E Study was completed in 2014.

24. We upgraded **748CL** to Category B in September 2010. In June 2014, we employed consultants, under a Category D Item **7E10CL**, to carry out the detailed design and site investigation for the proposed advance works. We have substantially completed the detailed design of the proposed advance works.

25. We upgraded **760CL** to Category B in September 2012.

WAY FORWARD

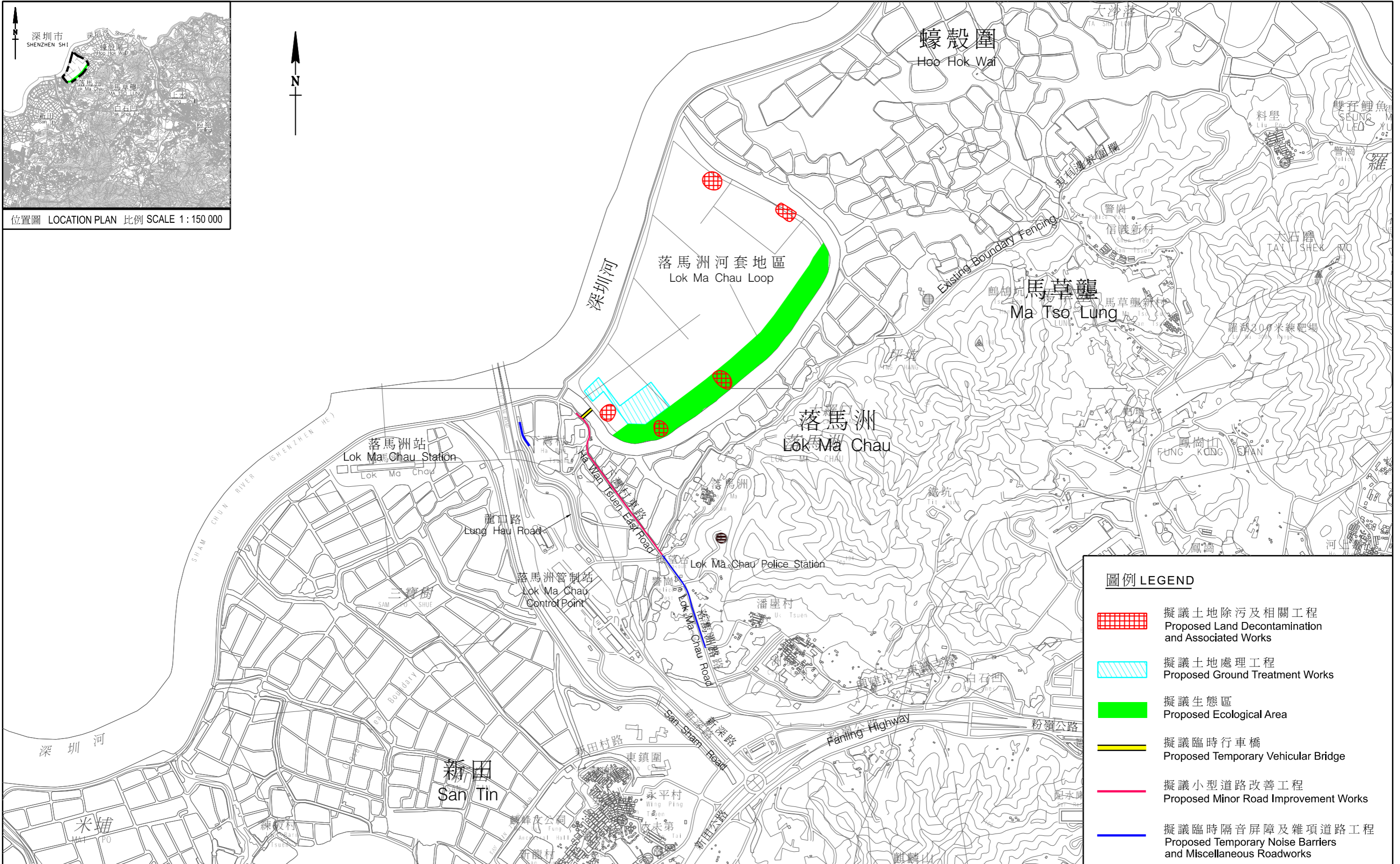
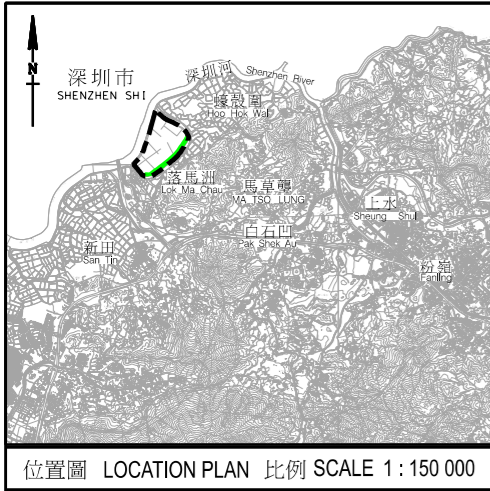
26. We plan to seek funding approval from the FC for **748CL** and part of **760CL** before mid-2018 after consulting the Public Works Subcommittee. We also plan to invite tenders in parallel, after this Panel meeting, to facilitate commencement of construction of the proposed advance works and detailed design of the main works package 1 in mid-2018. We will only award the works contract and consultancy after obtaining FC's funding approval.

Development Bureau

Innovation and Technology Bureau

Civil Engineering and Development Department

January 2018

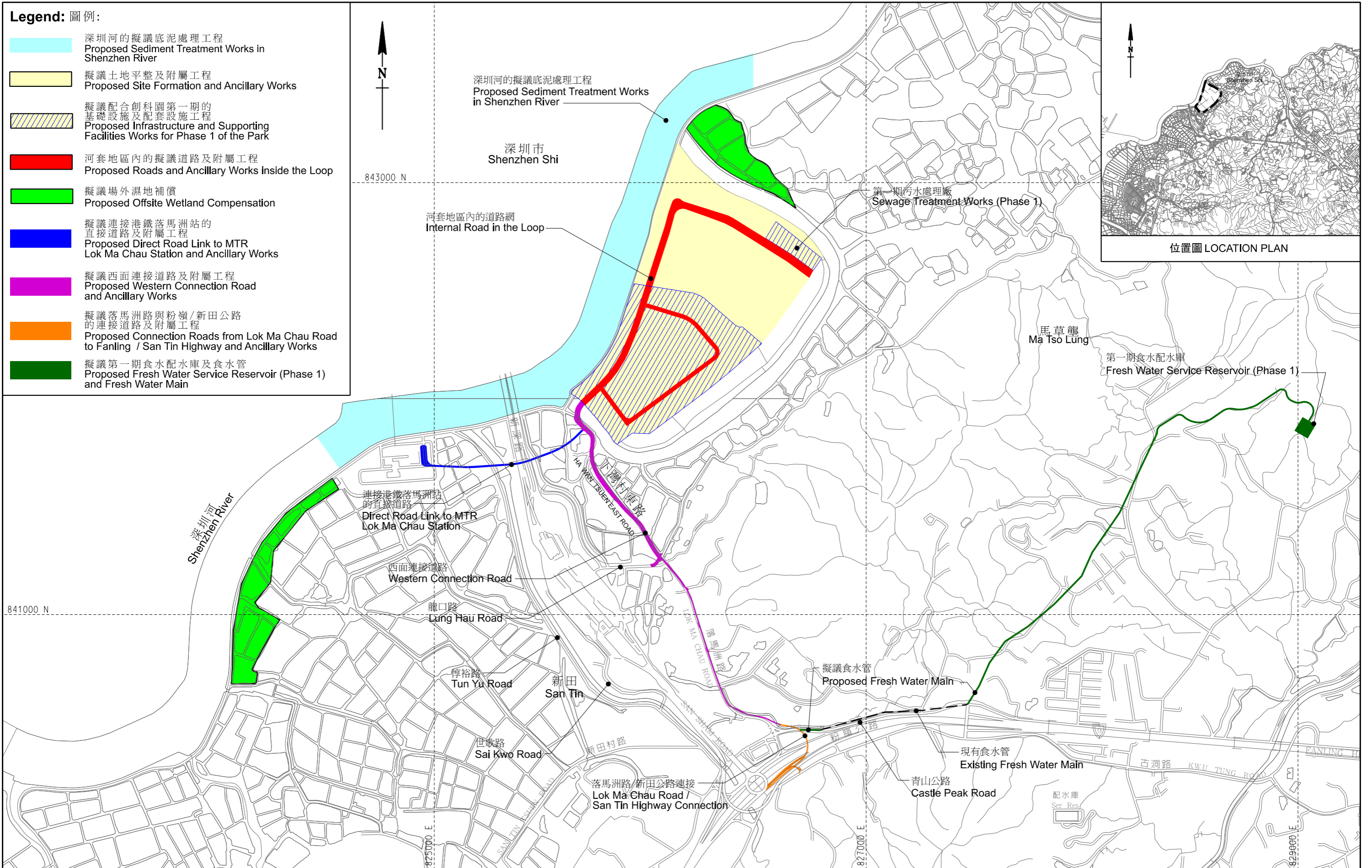


圖例 LEGEND

- 擬議土地除污及相關工程
Proposed Land Decontamination and Associated Works
- 擬議土地處理工程
Proposed Ground Treatment Works
- 擬議生態區
Proposed Ecological Area
- 擬議臨時行車橋
Proposed Temporary Vehicular Bridge
- 擬議小型道路改善工程
Proposed Minor Road Improvement Works
- 擬議臨時隔音屏障及雜項道路工程
Proposed Temporary Noise Barriers and Miscellaneous Roadworks

工務計劃項目第748CL號—落馬洲河套地區發展：土地除污及前期工程
 PWP ITEM No. 748CL-DEVELOPMENT OF LOK MA CHAU LOOP :
 LAND DECONTAMINATION AND ADVANCE ENGINEERING WORKS

平面圖
LAYOUT PLAN



- Legend: 圖例:**
- 深圳河的擬議底泥處理工程
Proposed Sediment Treatment Works in Shenzhen River
 - 擬議土地平整及附屬工程
Proposed Site Formation and Ancillary Works
 - 擬議配合創科園第一期的基礎設施及配套设施工程
Proposed Infrastructure and Supporting Facilities Works for Phase 1 of the Park
 - 河套地區內的擬議道路及附屬工程
Proposed Roads and Ancillary Works inside the Loop
 - 擬議場外濕地補償
Proposed Offsite Wetland Compensation
 - 擬議連接港鐵落馬洲站的直接道路及附屬工程
Proposed Direct Road Link to MTR Lok Ma Chau Station and Ancillary Works
 - 擬議西面連接道路及附屬工程
Proposed Western Connection Road and Ancillary Works
 - 擬議落馬洲路與粉嶺/新田公路的連接道路及附屬工程
Proposed Connection Roads from Lok Ma Chau Road to Fanling / San Tin Highway and Ancillary Works
 - 擬議第一期食水配水庫及食水管
Proposed Fresh Water Service Reservoir (Phase 1) and Fresh Water Main

工務計劃項目第760CL號—落馬洲河套地區發展：第一期主體工程
 PWP ITEM No. 760CL-DEVELOPMENT OF LOK MA CHAU LOOP : MAIN WORKS PACKAGE 1

平面圖
 LAYOUT PLAN