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Legislative Council

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**Public Works Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 24th meeting
held in Conference Room 1 of the Legislative Council Complex
on Wednesday, 22 May 2019, at 8:30 am**

Members present:

Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Chairman)

Hon Charles Peter MOK, JP (Deputy Chairman)

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon Claudia MO

Hon Frankie YICK Chi-ming, SBS, JP

Hon WU Chi-wai, MH

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP

Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan

Hon Alvin YEUNG

Hon Andrew WAN Siu-kin

Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Members absent:

Hon Michael TIEN Puk-sun, BBS, JP
Hon Tanya CHAN

Public officers attending:

Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr LAM Sai-hung, JP	Permanent Secretary for Development (Works)
Ms Bernadette LINN, JP	Permanent Secretary for Development (Planning and Lands)
Mr Elvis AU Wai-kwong, JP	Deputy Director of Environmental Protection (1)

Ms Margaret HSIA Mai-chi	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Mr LIU Chun-san, JP	Under Secretary for Development
Mr Vincent MAK Shing-cheung, JP	Deputy Secretary for Development (Works) ²
Mr Ricky LAU Chun-kit, JP	Director of Civil Engineering and Development
Mr Michael FONG Hok-shing, JP	Head of the Sustainable Lantau Office Civil Engineering and Development Department
Mr Janson WONG Chi-sing, JP	Deputy Head of the Sustainable Lantau Office (Works) Civil Engineering and Development Department
Ms Ginger KIANG Kam-yin	Deputy Head of the Sustainable Lantau Office (Planning and Conservation) Civil Engineering and Development Department
Mr Robin LEE Kui-biu, JP	Principal Project Coordinator Sustainable Lantau Office Civil Engineering and Development Department
Ms Doris HO Pui-ling, JP	Deputy Secretary for Development (Planning and Lands) ¹
Mr Ivan CHUNG Man-kit	Deputy Director of Planning (Territorial)

Clerk in attendance:

Mr Daniel SIN	Chief Council Secretary (1) ⁶
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Staff in attendance:

Ms Mandy LI	Senior Council Secretary (1) ⁶
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Mr Patrick CHOI
Miss Yolanda CHEUK
Ms Christy YAU
Ms Clara LO

Council Secretary (1)6
Legislative Assistant (1)6
Legislative Assistant (1)8
Legislative Assistant (1)9

Action

The Chairman advised that there were seven funding proposals on the agenda for the meeting. The first, second, fourth and fifth proposals were those carried over from the previous meeting, while the third, sixth and seventh proposals were new submissions from the Administration. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council, they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the proposals. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

Head 705 – Civil Engineering

PWSC(2019-20)5 768CL Studies related to artificial islands in the Central Waters

2. The Chairman advised that the proposal, i.e. [PWSC\(2019-20\)5](#), sought to upgrade 768CL to Category A at an estimated cost of \$550.4 million in money-of-the-day ("MOD") prices to engage consultants to conduct the studies related to artificial islands in the Central Waters ("the proposed studies") and the associated site investigation works. The Subcommittee discussed this funding proposal at the meeting on 17 May 2019, and would continue with the discussion now.

Studies related to artificial islands in the Central Waters

Project scope and nature

3. Citing Singapore as an example, Mr WU Chi-wai commented that the proposed studies should take into account other factors, including the impacts of the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("the Greater Bay Area") on the economy of Hong Kong, and the change in Hong Kong's population arising from its movement to the Greater Bay Area to live or to the Mainland to work. The studies should also assess the change in the investment approach of foreign investors such as foreign chambers of commerce and local manufacturers in Hong Kong and the possible change in the local economy arising from the passage of the Fugitive

Offenders and Mutual Legal Assistance in Criminal Matters Legislation (Amendment) Bill 2019.

4. In response, Under Secretary for Development ("USDEV") and Deputy Secretary for Development (Planning and Lands)¹ ("DS(PL)1/DEVB") indicated that the bureau planned to conduct preliminary studies and planning for the development of artificial islands in the Central Waters with a view to deciding the way forward. In implementing the project to construct artificial islands, the bureau would keep in view other factors such as changes in the social and economic environment. DS(PL)1/DEVB added that the Central Government had promulgated in February 2019 the "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area", which explicitly supported Hong Kong to consolidate and enhance its status as an international financial, transportation and trade centre as well as an international aviation hub.

5. Mr CHAN Chi-chuen sought the Administration's undertaking to conduct an independent financial viability study on the Kau Yi Chau ("KYC") Artificial Islands construction project, and make projections and analysis on the most optimistic and pessimistic scenarios. In support of conducting a financial viability assessment and a cost-effectiveness analysis, Dr Fernando CHEUNG enquired how the Administration would ensure that suitable and affordable housing could be provided for Hong Kong people through the measures to increase land supply proposed under the Lantau Tomorrow Vision ("the Vision").

6. USDEV advised that since the project to construct artificial islands in the Central Waters aimed to generate large areas of developed land for meeting housing needs, promote economic development and offer employment opportunities, it was inappropriate to assess the costs and effectiveness of the proposed project solely from a commercial perspective. USDEV further said that the development of KYC Artificial Islands was expected to provide around 150 000 to 260 000 housing units, 70% (i.e. 105 000 to 182 000 units) of which would be public housing. In contrast, the four New Development Areas ("NDAs") and new town extension projects that were ongoing or under planning would altogether provide just about 130 000 public housing units. This suggested the huge potential of KYC Artificial Islands in addressing the long-term housing demand.

7. Director of Civil Engineering and Development ("DCED") added that the proposed studies included a planning and engineering study for KYC Artificial Islands to establish the reclamation extent, land uses and technical feasibility. Upon the completion of the studies, the department would be

able to provide information on the preliminary cost estimate for the project, preliminary assessment of the financial revenue from the land, etc.

8. Mr Tony TSE expressed support for the proposed studies. He pointed out that with the Chief Executive proposing the Vision in the 2018 Policy Address, the Administration should, on the principle of taking forward "the Vision", implement the relevant measures. Mr TSE enquired whether the Administration would accept the various suggestions proposed by the trade in respect of the proposed studies. For example, the trade suggested that the Administration should develop KYC Artificial Islands in a diversified manner, including conducting studies on green landscaping, carbon emission reduction, promoting the development of smart city infrastructure, artificial intelligence, etc., and developing a liveable community.

9. Deputy Director of Planning (Territorial) ("DD(T)/PlanD") advised that the proposed studies would devise a planning vision and design principle to embrace a smart, green and resilient city concept and realize the vision to build a sustainable and liveable community. USDEV undertook to provide a written response to a letter from Mr TSE in due course.

(Post-meeting note: The Administration's response was circulated to members vide [LC Paper No. PWSC227/18-19\(02\)](#) (Chinese version) on 28 May 2019.)

10. Dr Junius HO considered that the estimated expenditure on the consultants' fees for KYC Artificial Islands, i.e. \$189.6 million, was on the high side. He suggested that the Administration consider consolidating previous and relevant technical studies, expanding the scope of the proposed studies, and conducting from a macro perspective relevant studies on the overall development of Lantau, including the transport system of the artificial islands in the Central Waters. He also requested the Administration to brief Members on the study brief for the proposed studies after finalizing it.

11. USDEV advised that under the proposed studies, an area-wide transport study would be conducted to decide on the road and rail options required and their technical feasibility, including assessing the possible impacts on the traffic networks in the vicinity. As for the scope of the studies, the bureau would consider Dr Junius HO's request. DCED added that the area-wide transport study would cover the proposed Lantau Road P1. On the other hand, the Sustainable Lantau Office was conducting the Study on Traffic, Transport and Capacity to Receive Visitors for Lantau to examine the transport infrastructure and transport services on Lantau.

12. Ms Claudia MO enquired whether the proposed studies would assess the impacts of the reclamation works on the environment, e.g. the ecology of the coral areas, Finless Porpoises and Chinese White Dolphins around KYC. DCED replied that the Administration would conduct environmental impact assessment ("EIA") studies for the project to comply with the requirements of the Environmental Impact Assessment Ordinance (Cap. 499). Currently, part of the waters near KYC served as vessel berthing areas, and there were some coral communities in the coastal waters of KYC. The Administration would explore mitigation measures to minimize the possible impacts of reclamation on the ecology of the coral in the vicinity.

Rough estimated project cost and effectiveness

13. Regarding the rough estimated cost of the projects under the Vision, i.e. around \$624 billion (in September 2018 prices), Mr KWONG Chun-yu enquired whether the Administration could ensure that there would be no cost overrun for the project to construct artificial islands in the Central Waters. Dr KWOK Ka-ki said that the total cost of the project might substantially exceed the rough estimate given by the Administration. He requested the Administration to provide information on the total project cost (in MOD prices) required for developing artificial islands in the Central Waters, including the estimated project cost (in MOD prices) for the first population intake to take place in 2032, and the respective project costs of Route 11 and the priority rail links between the coastal areas of Tuen Mun, Lantau, KYC Artificial Islands and Hong Kong Island.

14. USDEV replied that the bureau had repeatedly explained on various occasions issues relating to the construction costs of the projects. At a rough estimate, the total cost of the key projects under the Vision was in the order of \$624 billion (in September 2018 prices). Among the projects, the project cost of the priority rail links between the coastal areas of Tuen Mun, Lantau, KYC Artificial Islands and Hong Kong Island was roughly estimated to be \$172 billion (in September 2018 prices). As for Route 11, according to the information provided by the Transport and Housing Bureau, the Highways Department ("HyD") was conducting a feasibility study. Subject to the findings of the feasibility study, HyD would provide an estimated cost of Route 11 in due course.

15. USDEV further advised that the bureau would strive to contain the construction costs of the projects. However, the assumptions adopted in making the estimates were subject to change due to various factors, such as the tender prices for the projects, implementation timetables, and adjustments to the levels of construction costs. Since the projects were still in their early

stages, more accurate project cost estimates could only be made after the completion of the studies on the relevant projects.

16. Dr KWOK Ka-ki pointed out that the project costs of the proposed Immigration Headquarters in Tseung Kwan O and some disciplined services' headquarters and government office buildings constructed in recent years, e.g. Kowloon East Regional Headquarters and Operational Base-cum-Ngau Tau Kok Divisional Police Station, West Kowloon Government Offices, West Kowloon Law Courts Building, and the Customs Headquarters Building, were higher than the estimates by around 25% on average. Dr KWOK estimated that the total project cost of the development of artificial islands in the Central Waters would reach \$1,200 billion. He sought the Administration's confirmation of the accuracy of his estimate. USDEV replied that the Administration would not comment on Dr KWOK's estimate.

17. Dr Fernando CHEUNG enquired about the Administration's estimates of the land sale revenue to be generated from KYC Artificial Islands and the average prices of the private housing developments thereon, and the Administration's measures to bring down the prices of the future private housing developments on the artificial islands. USDEV advised that according to the estimate issued by the Hong Kong Institute of Surveyors, the per-square-foot accommodation value of the private housing developments on KYC Artificial Islands would be around \$10,000 to \$12,000. However, the estimate was not a target set by the Administration in respect of the accommodation value. The Administration would handle land sale matters in the light of the market situation. USDEV emphasized that the construction of artificial islands was not to generate profits, but to increase land supply with a view to catering for the housing and economic development needs of Hong Kong in the long term.

Third Core Business District

18. Mr WU Chi-wai enquired about the specific details of the Administration's plan to develop KYC Artificial Islands into Hong Kong's third Core Business District ("CBD"). Noting that 70% of the units to be provided on KYC Artificial Islands would be public housing, and the islands would also support the development of the third CBD, Mr AU Nok-hin was concerned that the grass roots might not necessarily work in CBD, but might have to work in other districts.

19. Mr LUK Chung-hung opined that the Administration should adopt multi-pronged measures to increase land supply with a view to addressing the keen housing needs. He agreed that constructing artificial islands could generate large areas of developed land and meet the housing demand. In

particular, Mr LUK welcomed the Administration's plan to develop the third CBD on KYC Artificial Islands, providing the grass roots with opportunities for upward mobility. He urged the Administration to expedite the completion of the proposed studies, and consult stakeholders and the local communities in parallel so as to avoid the risk of a construction cost overrun in future. DCED responded that subject to the funding approval from the Financial Committee, the studies concerned were expected to commence in the second half of 2019 and complete in 42 months.

20. Pointing out that around 70% and 50% of the respective resident populations of Tin Shui Wai and Tuen Mun have to work in other districts, Dr Fernando CHEUNG enquired about the need of the residents of KYC Artificial Islands to work in other districts as expected by the Administration. USDEV advised that being in close proximity to the Hong Kong International Airport and Tung Chung New Town Extension ("TCNTE"), the third CBD would offer plenty of employment opportunities to the residents, thereby reducing their need to work in other districts. DD(T)/PlanD added that the development of the third CBD on KYC Artificial Islands was anticipated to provide at least around 200 000 diversified (including high-end and high value-added) employment opportunities. In addition to abundant Grade A office space, other commercial support facilities would also be provided in the third CBD to promote local employment for the residents of KYC Artificial Islands.

Technical Study on Transport Infrastructure at Kennedy Town for Connecting to East Lantau Metropolis

21. Mr Gary FAN queried the Administration's justifications for stating that the analysis in the Report on Preliminary Traffic and Transport Impact Assessments ("Preliminary TTIA") under the Technical Study on Transport Infrastructure at Kennedy Town for Connecting to East Lantau Metropolis ("Technical Study") was obsolete, outdated or no longer applicable as of today. He enquired whether the Administration had provided reference materials such as various planning data, parameters and assumptions for the consultant engaged to conduct the study, or whether the consultant had not adopted the data provided by the Administration at that time in conducting the study.

22. Mr AU Nok-hin considered the Administration's remarks that the Preliminary TTIA were obsolete and outdated biased. He enquired why the Administration only considered the positive results of previous and relevant technical studies, and whether it would consider the negative factors mentioned in the studies. Mr HUI Chi-fung and Ms Claudia MO sought the Administration's elaboration on the differences between the schemes of

transport infrastructure proposed under the Preliminary TTIAAs and the new strategic transport networks proposed under the Vision.

23. USDEV replied that the information adopted in the Preliminary TTIAAs under the Technical Study was the latest available at that time. However, given the change in the circumstances now, some information adopted in the aforesaid study was no longer applicable. DCED added that the planning parameters and the population and employment data matrix adopted in the Preliminary TTIAAs were based on the information available at that time, and those information had been updated. Besides, the highway and railway networks adopted in the study were based on the transport networks proposed under "Hong Kong 2030+ : Towards a Planning Vision and Strategy Transcending 2030+" ("Hong Kong 2030+"). They were different from the new strategic transport networks proposed under the Vision as announced in the 2018 Policy Address. Therefore, the findings of the Report on Preliminary TTIAAs could not fully reflect the forecasts on the traffic and transport condition. For example, the new strategic railway networks would reduce the demand of the residents for driving between KYC and Sunny Bay.

24. Referring to the submission from Save Lantau Alliance, Mr Alvin YEUNG and Ms Claudia MO enquired whether the Report of the Technical Study had been made public. Mr YEUNG also enquired whether the Administration had referred to the data in other relevant technical studies to justify the further commencement of the proposed studies.

25. DCED replied that the department had uploaded the executive summary and Final Report of the Technical Study as well as the Report on Preliminary TTIAAs to its website for public viewing. It had also provided explanatory notes for public reference when the Report on Preliminary TTIAAs was released to avoid misunderstanding. On the other hand, after considering the recommendations of the Task Force on Land Supply ("Task Force") and referring to the findings of the relevant technical studies, e.g. the public engagement booklet "Hong Kong 2030+" study, relevant topical papers and other reports, the Administration came to the view that the proposed studies could be further conducted to take forward the planning and engineering study for KYC Artificial Islands.

26. Dr CHENG Chung-tai enquired whether the scope of the proposed studies, especially the direction and contents of the transport infrastructure study, overlapped with that of the Technical Study; if so, why the Administration had to commence the proposed studies afresh. He also asked the Administration how the relevant projected results in the relevant

technical study reports were applied, and whether the scope of the proposed studies would be updated in the light of the relevant technical study reports.

27. DCED responded that the scope of the proposed studies included an assessment to ascertain the feasibility of the priority road and rail links between Hong Kong Island, artificial islands in the Central Waters, Lantau and the coastal areas of Tuen Mun. Although part of the study scope was related to the Preliminary TTIAAs, the latter mainly focused on the possible impacts of some preliminarily technically feasible schemes of transport infrastructure on the developments at Kennedy Town, and the highway and railway networks adopted were different from the alignments of the new strategic transport networks adopted in the proposed studies. Nevertheless, the department would examine the findings of relevant study reports as appropriate.

28. Permanent Secretary for Development (Works) added that the objective of the Technical Study was to identify preliminarily technically feasible schemes of transport infrastructure for the potential transport connection between Kennedy Town and East Lantau Metropolis ("ELM"), and make a preliminary assessment of the impacts of the transport infrastructure on the developments at Kennedy Town. The study did not include an overall traffic and transport study for the artificial islands in the Central Waters.

29. Mr Gary FAN noted that the results of the Preliminary TTIAAs revealed no insurmountable technical issue in providing a transport infrastructure for connecting ELM and western Hong Kong Island. Mr FAN was concerned that the Report of Technical Study had recommended an increase in the toll levels of tolled tunnels and tolled roads in order to reduce traffic flow with a view to improving the traffic situation in the district, but the residents and motorists would have to bear high transport costs as a result. Mr AU Nok-hin expressed similar views. USDEV replied that the proposed studies would examine the transport infrastructure for connecting to the artificial islands in the Central Waters and related transport infrastructure, and would also recommend reasonable toll levels.

30. Mr HUI Chi-fung criticized the Administration for not providing the Central and Western District Council ("CWDC") with the Report of the Technical Study, and for deliberately covering up the problems such as overloading of the transport network around Kennedy Town by the schemes of transport infrastructure as identified in the report. He also queried why the Administration had not consulted CWDC on the schemes of transport infrastructure for connecting KYC and Kennedy Town.

31. USDEV disagreed with Mr HUI Chi-fung's views. He said that the Civil Engineering and Development Department ("CEDD") had uploaded the executive summary of the study to its website. USDEV further said that the proposed studies would include a transport infrastructure study to examine various schemes of transport infrastructure connection, including suitable connection points, and would also include traffic impact assessments in order to examine the impacts of such schemes on the traffic in the vicinity and in the district. The bureau would consult CWDC on the findings of the study in due course.

32. Regarding the motion passed at the CWDC meeting in March 2019, Mr HUI Chi-fung enquired whether the Administration would consider studying the suggestion of connecting the transport networks of Lantau to Central and Sheung Wan areas directly. USDEV replied that the bureau kept an open mind on any proposed traffic and transport schemes.

33. Mr CHU Hoi-dick requested the Administration to explain to Members in detail the contents of the Report on Preliminary TTIA's, and enquired whether the Administration would consider the schemes of linkage to the potential Route 4 Extension between Kennedy Town and Aberdeen as recommended in the report. DCED advised that in the next stage of the study, the department would examine the alignments and structural forms of different schemes of transport infrastructure. He said that the department was willing to explain to members the contents of the Report on Preliminary TTIA's after the meeting.

Land demand in Hong Kong

34. Mr CHU Hoi-dick noted the view of the Task Force that the land shortfall of 1 200 hectares in Hong Kong estimated in "Hong Kong 2030+", which had underestimated the actual needs in the long run. He pointed out that according to the report of the Task Force, Hong Kong would face an overall land shortfall of around 800 hectares and 400 hectares in the short-to-medium term (i.e. up to 2026) and medium-to-long term (i.e. 2026-2046) respectively. He enquired about the Administration's estimate of the actual land shortfall in Hong Kong.

35. The Chairman said that according to "Hong Kong 2030+" study, the land demand for the next 30 years would be no less than 4 800 hectares, while all the committed and planned developments, including planned or ongoing land supply projects, could supply some 3 600 hectares of land.

36. USDEV replied that flexibility should be allowed in land planning to cater for changing circumstances in society. Given the uncertainties in

planned or ongoing land supply projects, the bureau was unable to provide the actual land shortfall figures in Hong Kong at this stage. DS(PL)1/DEVB added that the Task Force was of the view that the land shortfall of 1 200 hectares in Hong Kong estimated in "Hong Kong 2030+" was grossly conservative, and recommended the Government to regularly update the estimated land demand. The bureau was updating the relevant figures as recommended, and planned to publish the latest estimate of land demand upon finalizing the final development strategy under "Hong Kong 2030+" in 2019. She continued that the estimate of land demand was not directly related to the present funding application. The bureau had been emphasizing in its explanations that the proposed development of the 1 000-hectare KYC Artificial Islands was a medium-to-long-term land supply initiative.

37. Mr Andrew WAN noted that according to Hong Kong Yearbook 2017 and a professor from the Chinese University of Hong Kong, Hong Kong had 9 680 hectares of unplanned land. The area of the land currently zoned for residential purposes exceeded that of the existing residential sites by 1 700 hectares. He sought elaboration on the current status of the unplanned or undeveloped land in Hong Kong, including the area analysis, locations and land uses of such land, and the reasons why some land was not suitable for development purposes.

38. DD(T)/PlanD explained that for the currently undeveloped land, apart from that covered by planned projects or projects under studies, most of the area covered ecological, landscape, and historical/cultural assets (including country parks, sites of special scientific interest and conservation areas). There were also quite a lot of offshore islands as well as steep slopes and hills which were not suitable for high-density development. As regards why the area of the sites planned for residential development in outline zoning plans exceeded that of the existing residential sites, some of the land had to be reserved for the provision of ancillary facilities such as shopping malls, schools and roads. As for the planned NDAs such as Kwu Tung North/Fanling North and Hung Shui Kiu, although such NDAs had been zoned for residential and other development purposes in outline zoning plans, the relevant development projects were still under way. At the request of Mr Andrew WAN, the Administration would provide supplementary information to further illustrate the current status of the unplanned land in Hong Kong.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC235/18-19\(01\)](#) on 30 May 2019.)

Reclamation materials for artificial islands

39. Mr Jeremy TAM considered that the quantity of marine sand or manufactured sand to be used in the reclamation works for KYC Artificial Islands as estimated by the Administration was low compared with the scale of the reclamation works for the Three-Runway System ("3RS") at the Hong Kong International Airport. He enquired about the Administration's estimate of the exact quantity of reclamation materials, including marine sand or manufactured sand, to be used.

40. DCED replied that the materials used for reclamation were mainly public fill, manufactured sand and marine sand. The ratio of marine sand, public fill or other fill materials used in various projects depended on factors such as design and construction needs. At the request of Mr Jeremy TAM, the Administration would provide supplementary information on the breakdown of its preliminary estimate of some 250 million to 300 million tonnes of fill materials, including public fill, marine sand or manufactured sand, required for the reclamation works for KYC Artificial Islands, and would convert the figures into cubic metres.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC235/18-19\(01\)](#) on 30 May 2019.)

41. Given that there was a keen demand for fill materials in the market, but the marine sand or manufactured sand imported from the Mainland was currently in short supply, Mr Jeremy TAM and Mr Alvin YEUNG queried how the Administration would ensure a sufficient supply of reclamation materials, in particular marine sand and manufactured sand. Citing the problem of an insufficient supply of marine sand for the reclamation works for 3RS as an example, Mr YEUNG enquired how the Administration would avoid a shortage in the supply of fill materials for the reclamation works for KYC Artificial Islands. Mr LUK Chung-hung was also concerned about the source of supply of fill materials.

42. DCED replied that manufactured sand was a by-product from quarries, and its supply was subject to the development of the mining industry. The trade normally could import manufactured sand from the Pearl River Delta region in the Guangdong Province. Generally speaking, the public fill (or inert construction and demolition waste) in the region of 15 million tonnes generated in Hong Kong each year would be used for reclamation as far as possible. Such public fill would account for half or more of the total quantity of fill materials to be used while marine sand and manufactured sand would account for the rest. Since the reclamation works for KYC Artificial

Islands would take over 10 years to complete and would not commence until several years later, the department would in the meantime explore sources of reclamation materials and other related matters to ensure a sufficient supply of fill materials.

43. As a large quantity of inert construction and demolition waste was generated by the local and Mainland construction industries, Mr LUK Chung-hung enquired about the proportion of such waste in the local supply of fill materials. He also asked for the cost difference between using public fill and marine sand as fill materials in public works projects.

44. DCED explained that around 15 million tonnes of public fill (or inert construction and demolition waste) was generated in Hong Kong each year. Public fill, consisting of sand, rocks, concrete, rubble, bricks and earth, was generated from land formation, tunnel, basement, renovation and building demolition works, and was suitable for reclamation. The Government had been promoting the reuse of public fill as far as possible in suitable local works projects. For example, in the ongoing 3RS and TCNTE projects, public fill was taken from fill banks for reclamation. CEDD did not charge for the collection of public fill from fill banks in respect of any works projects and no material cost was incurred.

45. Mr CHU Hoi-dick was concerned that the demand of the reclamation works for KYC Artificial Islands for marine sand and manufactured sand would lead to damage to the natural environment or quarries in other places such as the Mainland, Vietnam and Cambodia. Mr CHU was dissatisfied that in order to carry out the reclamation works, the Administration even turned a blind eye to the damage to be caused to the natural environment in other places. Ms Claudia MO expressed similar concerns. Mr CHU enquired whether the Administration would carry out an EIA to study the impacts of such works on the environment. Dr Junius HO took the view that the Administration should first ensure a sufficient supply of fill materials for taking forward the project. The Chairman said that adopting the principle to promote green procurement, the Administration would not use any fill materials that would cause damage to the environment.

46. DCED replied that, to his understanding, on the Mainland and in Southeast Asia, EIAs had to be carried out before the exploitation of marine sand and manufactured sand to ensure that such works complied with the requirements of local relevant legislation.

47. The Chairman advised that the Subcommittee would continue to discuss this item at the next meeting. The meeting ended at 10:29 am.

Council Business Division 1
Legislative Council Secretariat
26 June 2019