

**立法會**  
***Legislative Council***

LC Paper No. CB(1)1435/20-21  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/DEV

**Panel on Development**

**Minutes of meeting**  
**held on Tuesday, 22 June 2021, at 2:30 pm**  
**in Conference Room 1 of the Legislative Council Complex**

- Members present** : Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Chairman)  
Hon LAU Kwok-fan, MH (Deputy Chairman)  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon MA Fung-kwok, GBS, JP  
Hon CHAN Han-pan, BBS, JP  
Hon LEUNG Che-cheung, SBS, MH, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Hon Martin LIAO Cheung-kong, GBS, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon Holden CHOW Ho-ding  
Hon Wilson OR Chong-shing, MH  
Hon CHEUNG Kwok-kwan, JP  
Hon Kenneth LAU Ip-keung, BBS, MH, JP  
Dr Hon CHENG Chung-tai  
Hon Vincent CHENG Wing-shun, MH, JP  
Hon Tony TSE Wai-chuen, BBS, JP
- Members attending** : Hon KWOK Wai-keung, JP  
Hon Elizabeth QUAT, BBS, JP

**Members absent** : Hon Starry LEE Wai-king, SBS, JP  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Frankie YICK Chi-ming, SBS, JP

**Public officers attending** : **Agenda item III**

Mr Michael WONG Wai-lun, JP  
Secretary for Development

Ms Jenny CHOI Mui-fun  
Deputy Secretary for Development (Planning and Lands)2

Ms Alison LO Hau-wai  
Principal Assistant Secretary for Development (Planning and Lands)4

**Agenda item IV**

Ms Angela LEE Chung-yan, JP  
Deputy Secretary for Development (Works)1

Mrs Susanne WONG HO Wing-sze  
Principal Assistant Secretary for Development (Works)1

Mr Thomas CHAN Tak-yeung  
Principal Assistant Secretary for Development (Works)3

**Agenda item V**

Mr Vic YAU Cheuk-hang, JP  
Deputy Secretary for Development (Planning and Lands)1

Mr CHAN Yue-chun  
Head of Spatial Data Office  
Development Bureau

Mr Lawrence TONG Kwan-yuen  
Senior Land Surveyor (Spatial Data Infrastructure)  
Development Bureau

**Attendance by  
Invitation : Agenda item III**

Mr CHOW Chung-kong, GBS, JP  
Chairman  
Urban Renewal Authority

Ir WAI Chi-sing, GBS, JP, FHKEng  
Managing Director  
Urban Renewal Authority

Mr Eric POON Shun-wing  
Executive Director (Commercial)  
Urban Renewal Authority

Mr Ben LUI Sau-shun  
Executive Director (Operations)  
Urban Renewal Authority

Mr Daniel HO Chi-wai  
Director (Building Rehabilitation)  
Urban Renewal Authority

**Agenda item IV**

Mr Albert CHENG Ting-ning  
Executive Director  
Construction Industry Council

**Clerk in attendance :** Ms Connie HO  
Chief Council Secretary (1)2

**Staff in attendance :** Mr Keith WONG  
Senior Council Secretary (1)2

Mr Raymond CHOW  
Senior Council Secretary (1)10

Ms Christina SHIU  
Legislative Assistant (1)2

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**I Information paper(s) issued since the last meeting**

Members noted that no information paper had been issued since the last meeting on 25 May 2021.

**II Meeting arrangement for the remainder of the 2020-2021 session**  
(LC Paper No. CB(1)1006/20-21(01) — List of outstanding items  
for discussion  
LC Paper No. CB(1)1006/20-21(02) — List of follow-up actions)

2. Members agreed that two regular meetings would be scheduled for Tuesdays, 24 August and 28 September 2021 respectively, at 2:30 pm for the remainder of the 2020-2021 session. The Administration would be invited to propose items for discussion at these two meetings.

**III Work of the Urban Renewal Authority**

(LC Paper No. CB(1)1006/20-21(03) — Administration's paper on work of the Urban Renewal Authority)

LC Paper No. CB(1)1006/20-21(04) — Paper on the Urban Renewal Strategy and work of the Urban Renewal Authority prepared by the Legislative Council Secretariat (Updated background brief))

3. At the invitation of the Chairman, Secretary for Development ("SDEV") gave an introduction on the progress of work of the Urban Renewal Authority ("URA") and its future work plan. Chairman, URA ("C/URA") then briefed members on details of the work of URA in 2020-2021 and its Business Plan for 2021-2022.

4. Mr CHAN Han-pan declared that he was the President of an organization which was involved in the consultancy work for URA. Mr KWOK Wai-keung, Mr Vincent CHENG and Mr Tony TSE said that they were non-executive directors of the URA Board.

Financial situation of the Urban Renewal Authority

5. The Deputy Chairman appreciated the work undertaken by URA on urban renewal and building rehabilitation. Noting that URA planned to

spend around \$100 billion for the development of about 18 000 housing flats in the next five years but the net asset value and total liquidity of URA were \$47.24 billion and \$9.62 billion respectively as at 31 March 2021, the Deputy Chairman expressed concern on the financial capability of URA to take forward the said housing development plan.

6. Ms Alice MAK opined that the long acquisition process required for redevelopment projects amid a robust property market had enable URA to achieve surplus in its operation. However, URA would be under financial pressure sooner or later if it continued to adopt the current mode of operation. In view of the important role of URA in land and housing development, Ms MAK considered that the Administration should provide necessary financial support for URA with a view to enabling the Authority to provide more housing flats, in particular Starter Homes units which were in great demand. Ms MAK also suggested that tighter alienation restrictions should be imposed for Starter Homes units to separate end-users from investors in the property market.

7. SDEV advised that the Administration had all along fully supported the work of URA. The relevant support measures included exempting URA from paying market premium for its redevelopment sites. The Government would, if appropriate, consider offering government sites in the vicinity as "linked sites" to URA as part of its redevelopment sites in order to maximize the development potential and planning gains of the projects concerned.

8. Managing Director, URA ("MD/URA") added that URA would seek external financing to ensure that it had sufficient resources to implement the large-scale five-year Corporate Plan covering 2021-2022 to 2025-2026 ("Corporate Plan"). A financial consultant would be appointed this year to assist URA in reviewing its Corporate Plan, including assessing the financial situation of URA and providing advice on its external financing arrangements. To sustain its redevelopment efforts, URA would make use of the income generated from mature projects to finance other projects.

9. The Deputy Chairman, Mr MA Fung-kwok and Mr KWOK Wai-keung sought details about the external financing arrangements, including when negative cash flows would occur, the mode and amount of financing, and whether amendments to the URA Ordinance (Cap. 563) ("URAO") would be required in order to raise the external financing limit. Mr Wilson OR enquired if the Administration would consider injecting funds into URA to tide it over the financial difficulties.

10. C/URA and MD/URA explained that as URA would conduct tender exercises for eight projects this year, the income generated from these projects would enable URA to have sufficient funds in the next one to two years. However, according to the projection in its Corporate Plan, URA would face negative cash flows a few years later and URA would be in need of external financing by 2023-2024. It was envisaged that the negative cash flow amount would be over \$13 billion at maximum. Based on the principles of prudent financial management and financial autonomy, URA would finance the costs of redevelopment projects with its own resources and would not presume funding injection by the Government at this stage.

11. SDEV and MD/URA further advised that while there was no external financing limit for URA, approval from the Government was required under URAO if the financing amount exceeded the current limit set by the Government (i.e. \$6 billion). Depending on the duration of negative cash flow, URA might consider financing by bank loans or issuance of bonds. While the strong credit rating of URA should render it easy to secure loans, provision of loan guarantee by the Government with approval by the Legislative Council could be one of the options to be considered. The Administration was positive towards various financing options and would consider the best way forward upon receiving the report prepared by URA's financial consultant. Depending on the financial situation of the Government, the Administration would not preclude the possibility of injecting funds into URA in the future.

12. Mr MA Fung-kwok requested URA to provide a breakdown of its net asset value of \$47.24 billion, including, among others, the value of immovable assets and funds earmarked/used for acquisition. MD/URA replied that out of the \$47.24 billion, the old buildings acquired by URA valued at about \$30 billion, cash, bank deposits, etc. in hand valued at about \$10 billion and immovable assets (e.g. those preservation properties retained by URA) valued at about \$7 billion.

### Redevelopment

13. The Deputy Chairman enquired whether URA, apart from redeveloping old residential buildings in the urban area, had any plan to redevelop old buildings in the New Territories ("NT") and industrial buildings in the urban area. In addition to redeveloping old buildings in Yau Ma Tei, Tsim Sha Tsui and Mong Kok, Mr CHAN Han-pan urged URA to extend the redevelopment programme to other districts (e.g. Tsuen Wan) and expedite the redevelopment process to improve the safety of buildings in old districts.

14. MD/URA said that URAO did not restrict URA from carrying out redevelopment projects in places other than the urban area. However, there were more redevelopment projects in the urban area because of the generally poorer building condition in such areas. Under the new planning-led and district-based renewal approach, URA was studying the redevelopment potential of various districts in the urban area, including Yau Ma Tei, Mong Kok, Kowloon City, Sham Shui Po, Sai Wan Ho and Wong Tai Sin. Where appropriate, the scope of the study could cover redevelopment in NT as well as redevelopment of residential/non-residential buildings.

15. Mr Vincent CHENG urged URA to expedite the urban renewal process and called on the Administration to provide necessary support to URA in terms of financial resources and land to enhance the work of the Authority on urban renewal. Mr CHENG also enquired about the progress of the District Study for Yau Ma Tei and Mong Kok ("YMDS") conducted by URA, and requested URA to take forward the redevelopment of Tai Hang Sai Estate as soon as possible in order to provide more rehousing flats for existing tenants and Starter Homes units for the public. Dr Priscilla LEUNG welcomed the redevelopment of Tai Hang Sai Estate and enquired about the rehousing arrangement for the affected tenants. To improve the environment of old buildings and unleash their redevelopment potential, Dr LEUNG called on URA to expedite the redevelopment of old buildings in Yau Ma Tei, Tsim Sha Tsui and Mong Kok and encourage the participation of private developers in these redevelopment projects.

16. SDEV replied that URA had largely completed YMDS with identification of a number of development nodes and was finalizing the implementation details with the Government. While YMDS focused on Yau Ma Tei and Mong Kok districts, the findings and initiatives proposed in YMDS would also be adopted in other districts where appropriate to expedite the urban renewal pace in Hong Kong. The Administration and URA would brief the Panel on the findings of the study and the urban renewal strategies in due course.

17. C/URA added that URA and the Hong Kong Settlers Housing Corporation Limited ("HKSHCL") signed a memorandum of understanding in March 2021 for the collaboration to take forward the redevelopment of Tai Hang Sai Estate. The design of this redevelopment project had been largely completed and the Master Layout Plan amendment would be submitted to the Town Planning Board ("TPB") for approval in the third quarter of 2021. Upon approval by TPB, Tai Hang Sai Estate would be redeveloped to provide about 1 300 rehousing flats and 2 000 Starter Homes units.

18. On the rehousing arrangement for the tenants affected by the redevelopment of Tai Hang Sai Estate, MD/URA said that HKSHCL would draw up a rehousing plan for the affected tenants with the assistance of URA. HKSHCL would soon conduct a survey to understand the current status of tenants before confirming the plan.

19. Mr KWOK Wai-keung commended URA for its work on the redevelopment, rehabilitation and retrofitting, preservation and revitalization projects (i.e. 5R projects), including the commencement of two pilot projects on the redevelopment of buildings under the Civil Servants' Co-operative Building Society ("CBS") Scheme at Shing Tak Street/Ma Tau Chung Road (CBS-1:KC) and Kau Pui Lung Road/Chi Kiang Street (CBS-2:KC). Mr KWOK opined that in view of the large number of ageing buildings, private sector participation in urban renewal was crucial. He enquired if the Administration would provide any incentives to encourage private developers to participate in urban renewal projects to help address the problem of ageing buildings. Dr Priscilla LEUNG welcomed the development of a dedicated rehousing estate in the Kai Tak Development for rehousing those affected by the two pilot CBS projects.

20. SDEV said that the Administration was mindful of the importance of private sector participation in urban renewal. YMDS would propose planning concepts and initiatives applicable for redevelopment by URA and for incentivizing private developers to take part in urban renewal projects.

21. MD/URA added that URA would make every endeavour to complete the two pilot CBS projects. It would soon commence acquisition of the properties under the CBS Scheme in the smaller site of CBS-1:KC for redevelopment. Hopefully, the issuance of acquisition offers for CBS-1:KC would convince property owners in the larger site of CBS-2:KC that they would be reasonably compensated so as to pave way for the completion of the two pilot CBS projects.

22. Dr CHENG Chung-tai expressed concern about the construction of luxury residential properties in certain URA's redevelopment projects and opined that such redevelopments were incompatible with the surrounding environment and destroyed the original community network. Noting that a new district-based renewal approach had been adopted by URA for the redevelopment projects in Kowloon City, Dr CHENG asked how URA would avoid repeating the same problems mentioned above when carrying out these projects under the new approach. He also enquired (a) when the draft plan of URA's redevelopment project in To Kwa Wan Road/Wing Kwong Street (KC-016) would be released to the public; (b) whether the Kowloon City redevelopment projects included historic buildings that



were not declared as monuments but were still worthy for preservation: and (c) about the acquisition, rehousing and compensation arrangements for the Kowloon City redevelopment projects, in particular the rehousing arrangements for members of the affected Thai community residing in the district.

23. SDEV advised that URA had adopted different urban renewal strategies at different times. Since 2016-2017, URA had adopted the planning-led and district-based approach in its urban renewal efforts. SDEV said that as the draft plan of large-scale redevelopment projects would be submitted to TPB for approval, there would be ample opportunities for the public to express their views on URA's renewal approach during the process. MD/URA indicated that under the planning-led renewal approach, URA would take into account the historic buildings/monuments, if any, within a district in the planning of redevelopment. There would also be rehousing arrangements for Thai organizations affected by the Kowloon City redevelopment projects.

#### *Preliminary Project Feasibility Studies*

24. Mr Wilson OR appreciated the efforts made by URA on urban renewal and revitalization. He sought details about the two new Preliminary Project Feasibility Studies ("PPFSs"), which aimed to explore urban renewal opportunities in different districts under the planning-led renewal approach, commenced in March and April 2021 respectively for action areas in Sai Wan Ho and Wong Tai Sin, including the timeframe of the studies and the feasibility of expediting these studies.

25. MD/URA replied that the action areas in Sai Wan Ho and Wong Tai Sin were about twenty hectares each, involving around 200 to 300 buildings in total. The PPFSs concerned were expected to be completed within a year.

#### *Demand-led Redevelopment Project Pilot Scheme*

26. Mr Vincent CHENG enquired whether URA would relaunch the Demand-led Redevelopment Project Pilot Scheme ("Demand-led Scheme"), which had been suspended since the commencement of YMDS in 2017, to enable building owners to initiate redevelopment of their buildings. Ms Alice MAK also sought details about the new Demand-led approach to be adopted by URA and how this approach could foster urban renewal.

27. MD/URA explained that many redevelopment sites under the Demand-led Scheme were small and fragmented, which were not conducive

to the regeneration of a district as a whole. URA intended to launch a pilot Demand-Led survey system under which building owners' aspirations for various urban renewal initiatives would be registered during PPFs conducted in selected areas. The owners' aspirations would then be taken into consideration in the formulation of planning strategies and selection of redevelopment/rehabilitation projects.

### *Facilitating services*

28. Mr Tony TSE appreciated the work of URA. He urged the Administration to provide more support to URA to enhance its efforts in respect of urban renewal. He also enquired about the effectiveness of the facilitating services provided by URA since 2011 on facilitating interested property owners in assembling titles for joint sale in the market.

29. MD/URA responded that URA considered the facilitating services not effective as only one application had been successfully processed with the property interests sold by auction since its launch in 2011. URA would review the facilitating services in conjunction with the facilitation scheme launched in January 2021 which aimed at facilitating non-governmental organizations to optimize the land use of their under-utilized sites under the "Single Site, Multiple Uses" model.

### Rehabilitation

30. Mr Wilson OR and Mr CHAN Han-pan appreciated the Administration's efforts on building rehabilitation by launching various assistance schemes and services, including the recent Building Drainage System Repair Subsidy Scheme. In view of the introduction of many building rehabilitation assistance schemes and services in recent years, Mr CHAN urged URA to deploy additional manpower to cope with the increasing workload. In response, Director, Building Rehabilitation, URA ("D/BR/URA") said that the URA personnel involved in building rehabilitation had more than doubled over the past two to three years.

31. Mr CHAN Han-pan enquired about the effectiveness of the Smart Tender Building Rehabilitation Facilitating Services Scheme ("Smart Tender") in reducing the bidding price of building rehabilitation projects and the risk of bid-rigging.

32. D/BR/URA said that according to a study conducted by URA, the average number of bids received for each building rehabilitation project had increased from 20 (before the introduction of Smart Tender) to 38 (after the introduction of Smart Tender). There was a case that as many as 70 bids

were received. With a larger number of bids received, building owners had more choices, thereby reducing the risk of bid-rigging. Moreover, based on the market price estimation made by third party consultants, the number of bids with bidding price lower than the estimated market price had increased after the introduction of Smart Tender.

### Public engagement

33. Mr MA Fung-kwok requested the Administration to provide information on how the "Arts and Cultural Partnership Programme in Old Urban Districts" of URA could enliven old urban districts by bringing enjoyment to local residents and the general public who gathered to appreciate the local characteristics, and the number of organizations benefited from the said programme.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)1111/20-21(01) on 13 July 2021.)*

34. Concluding the discussion, the Chairman said that members in general commended the effectiveness of the work carried out by URA. However, members were concerned about the financial sustainability of URA in the long run and its mode of operation in the future. The Chairman also pointed out that some old buildings located in areas with little potential for redevelopment in terms of financial return were likely to be those most in need of redevelopment. In view of the serious problem of urban decay, the Chairman advised that the Administration should formulate a more forward-looking policy in respect of urban renewal to expedite the redevelopment of old buildings.

*[At 3:03 pm, the Chairman said that he would "draw a line" for members' enquiries. He would allow members who had indicated their intention to speak to raise questions.]*

## **IV Progress report on the implementation of the Construction Innovation and Technology Fund**

(LC Paper No. CB(1)1006/20-21(05) — Administration's paper on progress report on the implementation of the Construction Innovation and Technology Fund

LC Paper No. CB(1)1006/20-21(06) — Paper on the Construction Innovation and Technology

Fund prepared by the  
Legislative Council  
Secretariat (Background  
brief))

35. At the invitation of the Chairman and with the aid of a powerpoint presentation, Principal Assistant Secretary for Development (Works)1 ("PAS(W)1/DEVB") briefed members on the progress of the implementation of the Construction Innovation and Technology Fund ("CITF").

*(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)1039/20-21(01) (Chinese version only) by email on 22 June 2021.)*

#### Evaluating the effectiveness of the Construction Innovation and Technology Fund

36. Mr Holden CHOW, Mr Tony TSE and Mr CHEUNG Kwok-kwan noted from the findings of a recent study carried out by The University of Hong Kong ("HKU") that the Modular Integrated Construction ("MiC") would reduce construction time by 30% to 50%, uplift on-site productivity by 100% to 400%, and save construction costs by about 10% compared with conventional construction methods. Mr TSE pointed out that there seemed no notable reduction in the construction costs of public works projects adopting MiC, and advised that the Administration should from HKU's study draw the industry's attention to essential factors that contributed to cost reduction in adopting the said construction method.

37. To assess the effectiveness of CITF, Mr Holden CHOW and Mr Tony TSE requested the Administration to provide quantifiable data, such as cost and time saving achieved through technology adoption under CITF. Noting that CITF had also subsidized 10 000 training places (including 7 200 training places on the Building Information Modelling ("BIM") and over 3 100 training places on other areas such as digital transformation, artificial intelligence and robotics, augmented virtual reality enhanced BIM, etc), Mr Holden CHOW enquired about the job opportunities created by the companies that had benefitted from the training of the new technologies funded under CITF. The relevant information could also serve as reference in evaluating the effectiveness of CITF.

38. Deputy Secretary for Development (Works)1 ("DS(W)1/DEVB") responded that CITF had subsidized more than 10 000 training places for various stakeholders of the construction industry, including main

contractors, subcontractors, and construction workers. In respect of BIM training, PAS(W)1/DEVB added that over 85% of successful applicants considered that the capacity of their staff members in applying BIM was enhanced upon completion of training.

39. PAS(W)1/DEVB further advised that a mid-term review on the operation of CITF was being conducted. The review comprised, inter alia, an industry-wide survey and focus group meetings to collect feedback and suggestions from the industry. The Administration was analyzing the gathered information in detail and identifying areas for further improvement with a view to better supporting the industry for promoting innovation and technology adoption. Recommendations would be put forward to the Steering Committee on CITF for consideration in due course. The Administration would analyze the results of the mid-term review and share with the Panel relevant findings and recommendations at an appropriate juncture.

40. Noting that there were about 60 MiC projects in the pipeline, Mr CHEUNG Kwok-kwan sought details on the breakdown of these projects by category of projects (e.g. public housing projects and redevelopment projects of old districts).

41. DS(W)1/DEVB responded that the 60 projects in the pipeline were public works projects. A technical circular was issued in 2020 requiring that certain building works under the Capital Works Programmes which were uniform in design and layout, such as schools and staff quarters, should adopt MiC. The Administration undertook to provide the breakdown of the said 60 projects by category as requested by Mr CHEUNG.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)1135/20-21(01) on 19 July 2021.)*

#### Funding control and monitoring

42. Mr Tony TSE enquired about the results of the surprise spot checks on successful applicants. Mr Wilson OR asked about the proportion of surprise spot checks to the total number of funded items, and the penalties to be imposed for non-compliances.

43. Executive Director, Construction Industry Council responded that 150 times of surprise spot checks on successful applicants had been conducted, accounting for about 9% to 10% of the funded items. The Construction Industry Council ("CIC") would verify if the procured items matched with

the product description submitted earlier for application and whether these items were duly used on site. It was found that all successful applicants had complied with the requirements of CITF. Penalties for non-compliance included clawing back of the approved funds together with interests accrued.

44. Mr Tony TSE requested the Administration to provide the breakdown of the number of applicants granted with CITF and the grant amount (including separate figures for small- and medium-sized enterprises) by technology categories (i.e. BIM training, BIM adoption, Advanced Construction Technologies, MiC, Prefabricated Steel Rebar ("STB") and Manpower Development) as of 31 May 2021. DS(W)1/DEVB undertook to provide the information requested by Mr TSE.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)1135/20-21(01) on 19 July 2021.)*

#### Attracting new blood to the construction industry and application of new technologies

45. Ms Alice MAK considered that technology adoption could enhance the professional image of construction workers and improve occupational safety, which could help attract young people to join the construction industry and mitigate the problem of the ageing workforce. Noting that CITF supported various technologies that could boost productivity and improve site safety, Ms MAK enquired if there was any training provided to help frontline construction workers embrace technologies.

46. DS(W)1/DEVB replied that manpower development was also within the ambit of CITF. By building up the capabilities of construction personnel to harness technologies and improving the image and occupational safety of the industry, CITF also helped attract new blood to the industry. Various technology-related training programmes funded under CITF benefitted construction-related personnel at different levels, including professionals, technicians and tertiary students in relevant disciplines. CIC also provided various short-term training courses to equip in-service construction practitioners with skills in applying new technologies. Facilities and equipment of the relevant educational institutions had also been upgraded to cope with future training needs. PAS(W)1/DEVB added that CIC also offered training programmes in technology areas that were in demand and supported under the CITF, such as training on operation of automated rebar cutting and bending machine, to provide various forms of support required for promoting technology adoption.

Government facilitation measures

47. Mr Tony TSE relayed the opinions of architects that MiC was not widely adopted in construction projects of the private sector as it might pose constraints to building design. Mr TSE considered that the Administration should leverage CITF to enhance MiC adoption in private development projects. DS(W)1/DEVB replied that his opinions would be taken into consideration in the mid-term review of CITF.

48. The Deputy Chairman considered that government support was crucial to the effective adoption of technologies by the construction industry. To cope with the growing demand in the upcoming construction projects, he urged the Administration to collaborate with industry stakeholders to enhance technology adoption with a view to boosting productivity, fostering professionalism and the positive image of the construction industry, as well as tackling the issue of ageing workforce. While the Deputy Chairman acknowledged that policy support had accelerated the adoption of MiC, he also called on the Administration to further promote BIM and STB. He considered that the use of BIM in private development projects should be encouraged and more BIM training places should be provided. On promoting the use of STB, the Deputy Chairman relayed the views of some industry practitioners that government support for STB was insufficient, and as a result some operators had exited the market due to the losses incurred in their operations.

49. DS(W)1/DEVB replied that the Administration had increased the level of subsidy with a view to encouraging the wider use of STB by the construction industry. The per-tonne subsidy and project ceiling for STB applications were both uplifted from \$100 to \$300 and from \$0.8 million to \$5 million in recent years respectively to encourage the use of STB.

50. Mr Wilson OR and Mr CHEUNG Kwok-kwan enquired if there were any initiatives to support locally-developed technologies, such as mandating the use of such technologies in public works projects, to foster the development of innovation and technology in Hong Kong.

51. PAS(W)1/DEVB responded that a higher matching ratio of 75% (versus the 70% matching ratio in general) was applied to home-grown inventions or locally developed products to incentivize the use of local inventions. Examples of such innovations funded by CITF included products enhancing the quality of site works and site safety such as Digital Works Supervision Systems and the Smart Helmet equipped with health sensors. DS(W)1/DEVB added that technologies developed locally or

overseas were both included in the pre-approved list of items supported by CITF.

52. The Chairman suggested that the Administration should consider allocating more resources to CITF to facilitate wider application of technologies in the local construction industry.

**V Progress report on the development of the Common Spatial Data Infrastructure**

(LC Paper No. CB(1)1006/20-21(07) — Administration's paper on progress report on the development of the Common Spatial Data Infrastructure

LC Paper No. CB(1)1006/20-21(08) — Paper on the development of the Common Spatial Data Infrastructure prepared by the Legislative Council Secretariat (Background brief))

53. At the invitation of the Chairman and with the aid of a powerpoint presentation, Deputy Secretary for Development (Planning and Lands)1 ("DS(P&L)1/DEVB") briefed members on the progress of the development of the Common Spatial Data Infrastructure ("CSDI").

*(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)1039/20-21(02) (Chinese version only) by email on 22 June 2021.)*

54. The Chairman and Ms Elizabeth QUAT respectively declared that he/she was a member and the founder of the Smart City Consortium which was responsible for providing technical support for the Interactive Map Dashboard for COVID-19 and the Geospatial Lab, initiatives under CSDI, but they had no pecuniary interests in the item under discussion.

Digital security of the Common Spatial Data Infrastructure portal

55. While indicating support for the development of CSDI, Ms Elizabeth QUAT expressed concern on how the Administration would protect the important digital infrastructure of the CSDI portal from national security threats and cyber threats/attacks. She opined that open source



software should not be used for the CSDI portal as no local round-the-clock technical support service would be available. Moreover, metadata and source code of the open source software would be made public for shared use, which might pose a risk to digital security. In this connection, Ms QUAT requested the Administration to provide information about the core technologies adopted for and the cloud computing platform used in the CSDI portal, the measures implemented by the Administration to safeguard digital security of the said digital infrastructure, as well as the progress and implementation schedule of the CSDI initiatives.

*(Post-meeting note: A letter dated 28 June 2021 from Ms Elizabeth QUAT to follow up her request for information made at the meeting was circulated to members vide LC Paper No. CB(1)1066/20-21(01) (Chinese version only) by email on 29 June 2021.)*

56. Expressing support for the development of CSDI, the Deputy Chairman and Mr Holden CHOW raised similar concern on the digital security of the CSDI portal. The Deputy Chairman suggested that the Administration should brief the Panel on the digital security solutions intended to be introduced for the CSDI portal before their formal adoption. Meanwhile, Mr CHOW enquired whether the Administration was still considering the core technologies to be adopted for the CSDI portal.

57. DS(P&L)1/DEVB said that the CSDI portal was still under development and the Administration had been discussing with the contractor concerned on the software to be used for the portal. He stressed that the Administration shared the concerns raised by members over the digital security of the CSDI portal, and attached great importance to its security, stability and sustainability. The Development Bureau ("DEVB") would seek professional advice from the Office of the Government Chief Information Officer ("OGCIO") to ensure that the CSDI portal could meet the highest standards in terms of security, stability and sustainability. Head of Spatial Data Office, DEVB supplemented that the CSDI portal would make use of the Government Cloud Infrastructure Services developed by OGCIO to provide service. To protect the CSDI portal from cyber threats/attacks, the digital security measures/technologies recommended by OGCIO, such as firewall, anti-virus software and intrusion detection system, would be adopted. The Administration undertook to provide the information requested by Ms Elizabeth QUAT after the meeting.

*(Post-meeting note: The Administration's reply in response to the enquiries raised by Ms QUAT at the meeting and in her letter dated*

28 June 2021 mentioned above was circulated to members vide LC Paper No. CB(1)1434/20-21(01) on 20 October 2021.)

### Release of spatial data

58. The Chairman said that the current practice of the Administration to aggregate the Territorial Population and Employment Data Matrix ("TPEDM") data from 454 Planning Data Zones into 26 larger Planning Data Districts before releasing the data was not conducive to the use of data by industry players. Noting that the CSDI portal would include the TPEDM dataset, the Chairman enquired whether the Administration would release the TPEDM data by Planning Data Zone with a view to facilitating industry players in using the data.

59. DS(P&L)1/DEVB responded that DEVB would discuss with the Planning Department, which was responsible for publishing the TPEDM data, on the TPEDM data that could be released in the CSDI portal with a view to opening up as many data as possible for public use. He undertook to relay the Chairman's view to relevant bureau/department for consideration.

60. Noting that DEVB would seek annual spatial data returns from bureaux/departments from 2022 onwards, the Deputy Chairman sought clarification from the Administration on whether spatial data in the CSDI portal would be updated in a timely manner rather than on an annual basis.

61. DS(P&L)1/DEVB clarified that the annual spatial data returns aimed at assisting bureaux/departments to plan ahead and make arrangements for the release of spatial data, whereas the updating frequency of spatial data in the CSDI portal would depend on the nature of data. For instance, parking vacancy information should be updated on a real-time basis as far as possible to be meaningful to motorists searching for vacant parking spaces.

### Provision of one-stop or digital public services

62. Mr Tony TSE welcomed the development of CSDI and enquired about the benefits brought to the public and the industry by the development of the CSDI portal. He was concerned whether facilitation services (e.g. online tracking system on progress of applications being processed by the Government and downloading of aerial photographs which were under the purview of the Lands Department) would be provided in the CSDI portal. Mr Holden CHOW enquired whether the Administration would leverage on the development of CSDI to provide one-stop public services.

The Chairman also called on the Administration to promote the provision of digital public services.

63. DS(P&L)1/DEVB replied that DEVB was tasked to take the lead in the development of CSDI and encourage other bureaux/departments to share spatial data. Its current plan was to release about 320 datasets via the CSDI portal with about 120 datasets contributed by departments under DEVB. The focus was data with a spatial element. The CSDI portal would not only enable the public to access and download spatial data, but would also facilitate other bureaux/departments and application developers in pursuing further application development by making use of the spatial data provided by the portal. As regards the provision of one-stop digital public services, it was a broader issue coming under the smart city initiatives carried out by the Innovation and Technology Bureau.

*[At 4:18 pm, the Chairman proposed to extend the meeting time until the last member who had requested to speak had spoken. Members raised no objection.]*

## **VI Any other business**

64. There being no other business, the meeting ended at 4:42 pm.