

**For discussion  
on 26 March 2024**

**LEGISLATIVE COUNCIL  
PANEL ON DEVELOPMENT**

**Funding Application for  
Kwu Tung North/Fanling North New Development Area**

**PURPOSE**

This paper briefs Members on the funding application to the Legislative Council's Finance Committee ("FC") to upgrade the remaining parts of **7828CL** to Category A for carrying out site formation and engineering infrastructure works to support the Remaining Phase development of Kwu Tung North/Fanling North New Development Area ("KTN/FLN NDA"), at a preliminary estimated cost of **\$32,518.4 million** in money-of-the-day ("MOD") prices.

**OVERVIEW**

2. KTN/FLN NDA is the first NDA in the Northern Metropolis ("NM") to enter the construction stage. Under the NM Action Agenda, KTN/FLN NDA is located within the Boundary Commerce and Industry Zone, alongside the existing new towns in Fanling/Sheung Shui, and New Territories North New Town under planning. While KTN/FLN NDA has been planned as a predominantly residential community, KTN will be one of the areas in NM where government offices relocated from urban areas will concentrate.

3. KTN/FLN NDA, with a total development area of 320 hectares ("ha"), is being implemented in two phases: First Phase (73 ha) and Remaining Phase (247 ha). The phasing plan of KTN/FLN NDA is at **Annex 1 and 2 to Enclosure**. The site formation and engineering infrastructure works for the First Phase development commenced in 2019. The first private housing development was completed in end 2022 and three other private housing sites are under construction. First batch of public housing development will be

ready for population intake in 2026. Upon full development, KTN/FLN NDA will provide a total of about 86 200 housing units (of which about 57 500 are public housing), accommodating an additional population of about 227 000. In addition to housing supply, a wide range of Government, Institution or Community (“GIC”) facilities and a floor area of approximately 554 000 square metres (“m<sup>2</sup>”) for general commercial uses will be provided to support future residents of the NDA and nearby. Among the GIC facilities, the Government plans to construct a government office complex in KTN to relocate some offices from the urban areas, thereby driving the development of the area. As a whole, KTN/FLN NDA will provide about 53 000 job opportunities.

4. In respect of transport infrastructure, the Kwu Tung Station between Sheung Shui and Lok Ma Chau Stations of East Rail Line is under construction as Phase 1 of the Northern Link for completion in 2027 to meet the major population intake of KTN. The Kwu Tung Station is located at KTN town centre facilitating travel by future NDA residents. The construction of Fanling Bypass (Eastern Section) serving FLN is underway for completion in 2025. Other road projects including the widening of Fanling Highway (Kwu Tung Section), and construction of Fanling Bypass (Western Section) and flyover along Po Shek Wu Road to Fanling Highway (westbound) to improve KTN/FLN’s external connectivity and increase the capacity of existing road network to meet the NDA demand will be carried out under the Remaining Phase development for completion in 2031.

5. Subject to the FC’s funding approval, the Civil Engineering and Development Department (“CEDD”) will commence site formation and engineering infrastructure works for the Remaining Phase development progressively from mid-2024 with population intake targeting to start from 2029, with a view to completing the site formation and engineering infrastructure works for the entire KTN/FLN NDA by 2031. Although the development area of Remaining Phase (247 ha) is much larger than First Phase (73 ha), CEDD has made endeavours to compress the construction time so that Remaining Phase can be completed in about 7.5 years, similar to First Phase.

6. Key figures of KTN/FLN NDA Remaining Phase development are tabulated below –

Housing yield (public housing)	64 900 units (39 200 units)
New population	172 000
Development area	247 ha
Private land to be resumed and cleared	112 ha
Government land to be cleared	157 ha
No. of households to be cleared*	1 065
No. of business undertakings to be cleared*	313
Active farmland to be affected*	15 ha
No. of livestock farms to be affected	1
Programme for site formation and engineering infrastructure works	2024 – 2031

\* Remarks: The no. of households and business undertakings to be cleared and the area of active farmland to be affected are subject to further verification.

7. The proposed works for the Remaining Phase development comprise –
- (i) site clearance and formation (including geotechnical works and land decontamination works) to supply land for development of public and private housing, commercial uses, GIC facilities, open spaces, etc., and for construction of the road and infrastructure works;
  - (ii) construction of Fanling Bypass (Western Section) and Po Shek Wu Road Flyover, widening of Fanling Highway for connection to KTN NDA, associated carriageways, footpaths, cycle tracks, vehicular accesses and facilities, etc.;
  - (iii) other engineering infrastructure works including drainage, sewerage and water supply systems, revitalised meander and riverside pavilion, landscape works as well as other associated works; and
  - (iv) implementation of the environmental monitoring and audit programme for the aforementioned works.

More details about the site formation and engineering infrastructure works under the Remaining Phase development are at **Enclosure**.

## **FINANCIAL IMPLICATIONS**

8. We preliminarily estimate that the total cost in MOD prices of the proposed works for KTN/FLN NDA is **\$32,518.4 million**.

## **WAY FORWARD**

9. We plan to seek endorsement from the Public Works Subcommittee and funding approval from the FC on the funding application in relation to KTN/FLN NDA as set out in paragraph 1 above.

**Development Bureau**  
**Civil Engineering and Development Department**  
**March 2024**

**HEAD 707 – NEW TOWNS AND URBAN AREA DEVELOPMENT**

**Civil Engineering – Land development**

**7828CL – Remaining phase of site formation and engineering infrastructure works at Kwu Tung North New Development Area and Fanling North New Development Area**

**PROJECT SCOPE AND NATURE**

The proposed site formation and engineering infrastructure works for the Remaining Phase development of Kwu Tung North/Fanling North New Development Area (“KTN/FLN NDA”) comprise –

- (a) site clearance and formation (including geotechnical works and land decontamination works) for about 247 hectares (“ha”) of land, to supply land for development of public and private housing, commercial uses, Government, Institution or Community (“GIC”) facilities, open spaces, etc., and for construction of the road and infrastructure works in subparagraphs (b) and (c) below;
- (b) construction of Fanling Bypass (Western Section) (“FLBP(W)”) of about 2 kilometres (“km”) long, Po Shek Wu Road Flyover (“PSWRF”) of about 850 metre (“m”) long, local roads of about 12 km long and cycle tracks of about 12 km long; widening of Fanling Highway of about 4 km long for connection to KTN NDA; and associated junction/road improvements;
- (c) other engineering infrastructure works including drainage system; sewerage system (including 4 sewage pumping stations); water supply system (including a fresh water service reservoir and a flushing water service reservoir with capacity of about 61 000 cubic metres (“m<sup>3</sup>”) and 14 800 m<sup>3</sup> respectively); revitalised meander and riverside pavilion; open spaces; landscape works; as well as other associated works; and

- (d) implementation of environmental mitigation measures, environmental monitoring and audit (“EM&A”) programme and construction supervision for the works mentioned in sub-paragraphs (a) to (c) above.
2. Layout plans and artistic impressions for the Remaining Phase development are at **Annex 1 to Annex 11** to this Enclosure.

## **BACKGROUND**

3. KTN/FLN NDA is being implemented in two phases: First Phase and Remaining Phase. The phasing plan is at **Annex 1 and 2** to this Enclosure. The Civil Engineering and Development Department (“CEDD”) has progressively commenced the site formation and engineering infrastructure works for the First Phase development since 2019. Under the First Phase development, one private housing development implemented through land exchange was completed in end 2022 and three other private housing sites involving two land sale sites and one land exchange are under development. Moreover, three formed public housing sites are being developed by the Housing Authority/Hong Kong Housing Society for completion starting from 2026. The construction of Fanling Bypass (Eastern Section) serving FLN is progressing well for completion in 2025. The 37-ha Long Valley Nature Park has been substantially completed and will be open for public enjoyment this year. With target overall completion for First Phase development in 2026, CEDD is pressing ahead to complete the remaining works, including site formation for a site reserved for the development of a government office complex<sup>1</sup>.

4. Subject to the FC’s approval, CEDD will commence works for the Remaining Phase development progressively from mid-2024 for completion in 2031. To meet the works programme, CEDD has invited tenders for the construction works for the Remaining Phase development from January 2024 onward. The works contracts will only be awarded upon obtaining funding approval from the FC.

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<sup>1</sup> The site formation works also include site clearance and removal/transplantation of trees at the site. Detailed tree removal/transplantation proposal is subject to findings of the Tree Preservation and Removal Proposal to be completed by the Architectural Services Department, the works agent of the government office complex.<sup>2</sup> The service reservoirs will also serve demand from areas outside KTN/FLN NDA including existing and planned developments in the Sheung Shui/Fanling Area.

## **JUSTIFICATIONS**

5. KTN/FLN NDA is located within the Boundary Commerce and Industry Zone of the Northern Metropolis (“NM”), and is primarily a residential community, serving as one of the major sources of land supply to meet the territory’s housing needs. Upon full development, it will provide a total of about 86 200 housing units (of which about 57 500 are public housing), accommodating an additional population of about 227 000. In addition to housing supply, a wide range of GIC facilities including a government office complex in KTN, as well as total floor area of approximately 554 000 square meters (“m<sup>2</sup>”) for general commercial uses will be provided. As a whole, KTN/FLN will provide about 53 000 job opportunities.

6. The 247 ha of land to be formed under the Remaining Phase development of KTN/FLN NDA, which amounts to 77% of the total development area of the NDA, will be used for subsequent developments such as housing, commercial uses, public and community facilities, open space, transport and other infrastructure, etc.

### ***Providing Land for Housing***

7. For better utilisation of land and infrastructure to increase housing supply, the Town Planning Board approved increase in plot ratios for 14 public housing sites and 23 private housing sites in the Remaining Phase development by 30% and 20% respectively in September 2022. As a result, the housing yield for the Remaining Phase development was increased to 64 900 units (amounting to about 75% of the total housing supply of KTN/FLN NDA), including about 39 200 public housing units. It is estimated that population intake for the Remaining Phase development will commence in 2029.

### ***Providing Land for Commercial Uses and other Economic Activities***

8. To support future residents of the NDA and nearby, ancillary commercial uses such as restaurants, retail and services, etc., are planned in some of the housing sites within the Remaining Phase development. The estimated floor area for these commercial uses in the Remaining Phase development is about 432 500 m<sup>2</sup>.

9. Apart from the above, a site of about 5 ha to the west of Man Kam To Road in the Remaining Phase development of FLN is reserved for the development of logistics facilities in view of its surrounding planning context and direct access to Man Kam To Road and Fanling Bypass. Besides, having regard to the spatial planning of innovation and technology (“I&T”) land across NM, especially their concentrated provision in San Tin Technopole, the Government is reviewing the land uses of several sites originally proposed for I&T-related use in the Remaining Phase development of KTN in the context of the study for the Ma Tso Lung area. The land use review is targeted for completion within this year.

### ***Providing Land for GIC Facilities and Open Spaces***

10. KTN/FLN NDA Remaining Phase development will also provide formed land for various types of GIC facilities, including public transport interchanges, social welfare facilities, schools, sports/leisure centre, community hall, clinics/health centre, refuse collection points, etc.

11. For developing a green and livable community, the Remaining Phase development will provide user-friendly pedestrian and cycling networks. Some riverside pavilions will be constructed to promote water-friendly culture and activities. A district park of about 6 ha with flood storage tank and an open space of about 2.4 ha with flood retention function in revitalised meander, both in FLN, will be constructed to creating a green and naturalistic environment for public recreational use and at the same time serving as flood attenuation facilities. A flood storage tank will also be provided at KTN to increase the drainage capacity of the area. The design of these facilities has taken into account the impacts arising from climate change.

### ***Providing Land for Other Uses***

12. A site of about 3 ha to the east of Man Kam To Road in the Remaining Phase development of FLN is reserved for development of permanent multi-storey bus depots in order to support franchised bus services for the new population arising from the development of KTN/FLN NDA and re-provisioning of an existing bus depot in the district. Public goods vehicle parks is also



planned to be provided within the site under the “single site, multiple uses” model to cater for parking demand of heavy goods vehicles in the North District.

13. To support livestock farms affected by government projects and to upgrade the industry, a site of about 1 ha near Lo Wu Correctional Institution has been earmarked for development of a multi-storey building (“MSB”) for livestock farms to be operated in a modernised, biologically safe and environmentally friendly manner. The Agriculture, Fisheries and Conservation Department is following up with the trade on this project.

### ***Providing Other Engineering Infrastructure Facilities***

14. The Remaining Phase development also involves formation of land for subsequent construction of the Northern Link Main Line by MTR Corporation Limited, as well as construction of the primary distributor road and district distributors including widening of Fanling Highway (Kwu Tung Section) and construction of FLBP(W) and PSWRF to improve KTN/FLN’s external connectivity and increase the capacity of existing road network to meet the NDA demand. Other infrastructure facilities such as drainage system (including drains and box culverts), sewerage system (including sewage pumping stations, gravity sewers and rising mains), and water supply system (including a fresh water service reservoir, a flushing water service reservoir<sup>2</sup>, fresh water mains and flushing water mains) will also be provided.

15. Apart from serving the KTN/FLN NDA, the provision of engineering infrastructures will also bring improvements to existing traffic conditions and communities in the neighbouring areas. For example, the proposed road network in KTN NDA will improve the connectivity of the existing Ho Sheung Heung; the proposed Kwu Tung Interchange will be a new route for ingress/egress from Fanling Highway to KTN NDA; and the modified Kwu Tung Road will be connected to the proposed L3 road to improve the connectivity between Kwu Tung North and Kwu Tung South. In addition, drainage improvement works for low-lying villages within the NDA, such as Tin Ping Shan Tsuen, will be carried out to enhance flood resilience.

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<sup>2</sup> The service reservoirs will also serve demand from areas outside KTN/FLN NDA including existing and planned developments in the Sheung Shui/Fanling Area.

## **AFFECTED HOUSEHOLDS AND BUSINESS UNDERTAKINGS**

16. The Remaining Phase development will require resumption and clearance of about 112 ha private land and about 157 ha government land. According to the information obtained from the pre-clearance survey (“PCS”), there are a total of 1 065 households and 313 business operators to be affected. Based on the current project schedule, they are scheduled to depart in batches starting from the third quarter of 2024<sup>3</sup>. The Lands Department (“LandsD”) have sent letters to all affected households and business undertakings in the Remaining Phase development from November to December 2022, informing them of the scheduled departure dates as well as the compensation and rehousing arrangements for their reference and early preparation for moving out. LandsD and Compensation and Rehousing Service Teams it has engaged will maintain communication with the affected households and business undertakings, and provide updated information as needed. Notices will be posted on site three months before the departure deadlines of the affected households and business undertakings in accordance with the applicable procedures.

17. The Government is handling the compensation and rehousing matters of the relevant land owners, households and business undertakings at full steam, and will endeavour to arrange rehousing or release compensation for all eligible persons before the clearance commences<sup>4</sup>. In response to affected households’ concerns about having to live near the construction site of the First Phase development, households affected by the Remaining Phase development had been allowed to apply for early departure and receive rehousing and compensation. Of the 889 households that have so applied, as of end February 2024, 343 households have been rehoused, 11 households have received ex-gratia cash compensation, and the applications of 435 households are being processed (some subject to submission of necessary information), and 100 households are not eligible<sup>5</sup>. LandsD will continue to process relevant applications and contact the affected persons, particularly those households expected to be moved out in

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<sup>3</sup> It is estimated that about 780 households and 207 business undertakings will have to move out in the third quarter of 2024.

<sup>4</sup> The rehousing and ex-gratia allowances (“EGAs”) for households were significantly enhanced in mid-2018 (with the introduction of a new non-means-tested rehousing option and relaxation of eligibility criteria and EGA amounts). The ex-gratia compensation arrangements for landowners and business operators were further enhanced in 2022.

<sup>5</sup> The main reasons for applicants not being eligible include households moving into the development area after the PCS, living in unauthorised structures, or holding domestic property, etc.

the first batch.

18. Among the 313 business operators to be affected, 258 involve brownfield operations including warehouses, construction, recycling, vehicle repair, workshops, etc., covering a total area of about 40 ha. Where the programme of development permits, we will arrange brownfield operations to depart by phases so that they could continue to operate until relevant sites are required for works. At the same time, the Government will continue to provide the following assistance to brownfield operators who wish to relocate their business –

- (a) LandsD will reach out to affected operators at the soonest possible juncture, and offer appropriate assistance;
- (b) providing early monetary compensation to allow affected operators to plan ahead for departure. In May 2022, we have enhanced the arrangements for the EGA for Open-air/Outdoor Business Undertakings, including relaxing the eligibility criteria concerning the operation duration (from seven years preceding PCS to two years preceding PCS), and removing the payment ceiling of not exceeding 5 000 m<sup>2</sup> for open areas that could be taken into account in calculating the EGA amount. Affected operators could apply for an early disbursement of EGAs after LandsD posted the land resumption notice, without having to wait until the departure date;
- (c) the revised Guidelines for Application for Open Storage (OS) and Port Back-up (PBU) Uses under Section 16 of the Town Planning Ordinance were promulgated in April 2023 by the Town Planning Board, with a view to, among others, expanding the areas under Category 2 by 320 ha (of which 135 ha were not occupied at the time of identification) where planning permission may be given for OS/PBU uses<sup>6</sup>;
- (d) identifying more government land suitable for letting specifically to affected brownfield operators by way of short-term tenancy through restricted tender. Up to February 2024, 15 sites have been let under

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<sup>6</sup> The Guidelines classified the rural areas into four categories (Category 1 to Category 4), and set out the criteria for assessing planning applications for OS/PBU uses. Lands under Category 2 are those where planning permission may be given for OS/PBU uses.

this arrangement;

- (e) setting up a dedicated multi-disciplinary team to coordinate different departments to assist operators seeking relocation in planning applications and obtaining relevant approvals from other departments. As at December 2023, we have assisted more than 20 business undertakings affected by government projects (including KTN/FLN NDA) in obtaining planning approvals for relocation of their operations (including those in logistics, vehicle repairing and construction industries), involving a total of around 20 hectares of relocation sites; and
- (f) developing MSBs, where the developer/owner would be required through specific land sale conditions to hand over not less than 30% of the floor space to the Government for leasing to brownfield operators affected by government projects at concessionary rent for an initial period of 5 – 10 years, so as to allow relocated brownfield operations to adapt to an MSB setting and preferably upgrade their operations. The first such site near Yuen Long InnoPark has been put up for tender in March 2024.

19. The Government is also progressively reviewing the EGAs for farmers. Among others, the EGA for pig and poultry farmers has been reviewed and enhanced with effect from October 2023, including updating the parameters for calculating the loss of profit during the re-establishment period (which is the key component of the EGA) to reflect the higher income of farmers who have taken up the role of wholesalers and retailers; a longer re-establishment period required nowadays; and maintaining the 30% enhancement in the EGA rates first introduced in 1987. The enhanced EGA will be applicable to eligible pig and poultry farmers affected by KTN/FLN NDA Remaining Phase development.

## FINANCIAL IMPLICATIONS

20. We preliminarily estimate that the total cost in money-of-the-day (“MOD”) prices of the proposed works under the Remaining Phase development is **\$32,518.4 million**. The table below summarises the respective percentage of the major works items –

(a) Site Clearance and Formation	About 15%
(b) Road Works	About 40%
(c) Other Engineering Infrastructure Works	About 30%
(d) Other Expenses	About 15%

## **PUBLIC CONSULTATION**

21. KTN/FLN NDA project went through a three-stage public engagement exercise between 2008 and 2013. Subsequently, the draft KTN and FLN Outline Zoning Plans (“OZPs”) reflecting the recommended land use proposals were gazetted in December 2013. During the statutory planning process, more than 53 000 representations and comments were received. After giving consideration to the representations and comments, the Town Planning Board (“TPB”) decided not to amend the draft OZPs. In June 2015, the Chief Executive in Council (“CE in C”) approved the draft OZPs.

22. In view of subsequent changes in the planning circumstances, the Government has reviewed the land uses for a number of sites in the Remaining Phase development<sup>7</sup>. The revised draft OZPs reflecting these changes were exhibited for public inspection in October 2022. During the statutory planning process, a total of 33 representations and 3 comments were received. After consideration of the representations and comments in May 2023, TPB decided not to uphold the representations and that no amendment should be made to the revised draft OZPs to meet the representations. In September 2023, the CE in C approved the revised draft OZPs.

23. Consultation with the North District Council, the Sheung Shui District Rural Committee and the Fanling District Rural Committee on the proposed works under Remaining Phase development was conducted from July to August 2022. Members expressed in-principle support.

24. The proposed road works under the Roads (Works, Use and Compensation) Ordinance (Cap. 370) and the proposed sewerage works under

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<sup>7</sup> This include (i) two sites in FLN originally reserved for police facilities, which were subsequently rezoned for logistics facilities and bus depots; (ii) a site at FLN originally reserved for facilities related to the environmental friendly transport system, which was subsequently rezoned for public housing development; and (iii) two sites in KTN originally reserved for I&T-related uses, which were subsequently rezoned for private housing development.

Cap. 370 as applied by the Water Pollution Control (Sewerage) Regulation (Cap. 358AL) under the Remaining Phase development were gazetted on 30 September 2022 and 7 October 2022. A total of 86 and 88 objections were received against the proposed road and sewerage works respectively during the statutory objection period. These objections were mainly related to land resumption, clearance, compensation and rehousing arrangement, the overall planning of KTN/FLN NDA, the design of the proposed works and the potential impacts during the construction and operation stages. Upon discussion with CEDD, 22 objections against the proposed road works and 4 objections against the proposed sewerage works were unconditionally withdrawn, while others were remained unresolved. Upon considering all the unresolved objections, the CE in C authorised the proposed road and sewerage works on 28 November 2023.

## **ENVIRONMENTAL IMPLICATIONS**

25. KTN/FLN NDA is a Designated Project (“DP”) under Schedule 3 of the Environmental Impact Assessment Ordinance (“EIAO”) (Cap. 499). Some of the proposed works for KTN/FLN NDA are DPs under Schedule 2 of the EIAO and Environment Permits (“EPs”) are required for their construction and operation.

26. In October 2013, the EIA report for KTN/FLN NDA (as part of North East New Territories NDAs) was approved with conditions under the EIAO. The relevant EPs for construction and operation were issued in November 2013. The EIA report concluded that the environmental impacts of KTN/FLN NDA can be controlled to within the criteria under the EIAO and the Technical Memorandum on EIA Process. We will implement the measures recommended in the approved EIA report, and comply with the relevant conditions under the EPs. Key measures to be implemented in the Remaining Phase development include soil treatment works for hotspots identified with high level of arsenic, noise barriers on the FLBP(W), PSWRF and other road sections, and odour control measures for sewage pumping stations. We have included the cost of implementing the environmental mitigation measures as well as the EM&A programme in the overall project estimates for Remaining Phase works.

27. In view of the proposed housing intensification and land use review described in paragraphs 7 and 22 above, an Environmental Review (“ER”) was

carried out to confirm the environmental acceptability of the proposed changes, whilst the findings and conclusions of the approved EIA report remain valid.

28. For controlling the short-term environmental impacts caused by the proposed works during construction, we will incorporate the recommended mitigation measures and implementation of EM&A programme into the relevant works contracts to control environmental impacts arising from the construction works to comply with established standard and guidelines. These measures mainly include use of quiet powered mechanical equipment and movable noise barriers or enclosures to minimise the construction noise impact, regular watering of works sites and provision of wheel-washing facilities to minimise dust generation, and use of temporary drains to collect site run-off for on-site treatment before discharge.

29. At the planning and design stages, we have considered the proposed works for the Remaining Phase development and their construction sequences to reduce generation of construction waste where possible. In addition, we will require the contractors to reuse inert construction waste (e.g. excavated soil) on site or in other suitable construction sites as far as possible in order to minimise the disposal of inert construction waste at public fill reception facilities<sup>8</sup>. We will encourage the contractors to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

30. At the construction stage, we will require the contractors to submit for approval the plans setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. We will ensure that the day-to-day operations on site comply with the approved plans. We will require the contractors to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. We will control the disposal of inert construction waste and non-inert construction waste at public fill reception facilities and landfills respectively through a trip-ticket system.

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<sup>8</sup> Public fill reception facilities (“PFRF”) are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N). Disposal of inert construction waste in PFRF requires a licence issued by the Director of Civil Engineering and Development.

31. We estimate that the Remaining Phase works will not generate any inert construction waste but will require in total about 2 820 000 tonnes public fills from either concurrent projects or the public fill reception facilities. On the other hand, it will generate in total about 66 000 tonnes<sup>9</sup> of non-inert construction waste which will be disposed of at landfills. The total cost for disposal of the construction waste at landfills is estimated to be about \$24.09 million for the Remaining Phase works (based on a unit charge rate of \$365 per tonne at landfills as stipulated in the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Cap. 354N) and the Waste Disposal (Charges for Disposal of Construction Waste) Regulation (Amendment of Schedules) Notice 2023).

## **TRAFFIC IMPLICATIONS**

32. Based on the Traffic and Transport Impact Assessment conducted under the “KTN/FLN NDA Planning and Engineering Review” and a recent traffic review which covered assessments of the traffic impact arising from the proposed housing intensification and land use review described in paragraphs 7 and 22 above respectively, the traffic and transport impact due to the proposed works for the Remaining Phase development would be acceptable.

33. Temporary traffic arrangements (“TTAs”) associated with the proposed works for the Remaining Phase development will be implemented during construction to facilitate implementation of the proposed works. We will establish a Traffic Management Liaison Group comprising representatives of the CEDD, the Transport Department, the Hong Kong Police Force and other stakeholders to discuss, scrutinise and review the TTAs proposed by the contractors with a view to minimising traffic impact arising from the proposed works. In addition, we will set up a telephone hotline to respond to public enquiries or complaints.

## **HERITAGE IMPLICATIONS**

34. We have completed a cultural heritage impact assessment under the EIA

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<sup>9</sup> The figure is approximate only and could only be confirmed after land resumption/clearance.



for KTN/FLN NDA. It is concluded that the Remaining Phase development would not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites/buildings/structures, sites/buildings/structures in the new list of proposed grading items, and Government historic sites identified by the Antiquities and Monuments Office (“AMO”).

35. However, part of the Site of Archaeological Interest identified by the AMO at Sheung Shui Wa Shan would be affected by the Remaining Phase works. When the details for the proposed works on the site are formulated, we will require the contractor to conduct an Archaeological Impact Assessment to determine the need for archaeological follow up actions in the impacted area before commencement of any construction works according to the EIA report. In addition, archaeological mitigation measures have been recommended for locations with archaeological potential that were identified to be potentially impacted by the proposed development, including preservation of in-situ cultivation deposits at Shek Wu San Tsuen, survey-cum-rescue excavation on impacted areas after land resumption at sites/spots at Fung Kong, Fu Tei Au East and Ho Sheung Heung before commencement of any construction works. For areas with medium archaeological potential identified during the EIA study which would be affected by the Remaining Phase works, we will also conduct the assessment before commencement of any construction works, and recommend mitigation measures if necessary, according to the EIA report.

36. For the Remaining Phase development, we will comply with the recommendations of the EIA report to carry out a baseline condition survey and baseline vibration impact assessment for identified built heritage adjacent to the works sites before commencement of the works and to evaluate if construction vibration monitoring and structural strengthening measures are required during construction to safeguard compliance with the vibration standard stated in the EIA report.

## **BACKGROUND INFORMATION**

37. In May 2019, the FC approved the upgrading of **747CL** and **759CL** to Category A, entitled “Advance site formation and engineering infrastructure works at Kwu Tung North New Development Area and Fanling North New Development Area” and “First stage of site formation and engineering

infrastructure at Kwu Tung North New Development Area and Fanling North New Development Area”, at approved project estimates of **\$17,320.1 million** and **\$896.4 million** in MOD prices respectively, for the site formation and engineering infrastructure works for Advance and First Stage works respectively. On the same date, the FC approved the upgrading of part of **828CL** to Category A as **835CL**, entitled “Remaining phase of site formation and engineering infrastructure works at Kwu Tung North New Development Area and Fanling North New Development Area” at an approved project estimate of **\$764.5 million** in MOD prices for the detailed design and site investigation works for the Remaining Phase development of KTN/FLN NDA. We have substantially completed the detailed design of the proposed works for the Remaining Phase development in end 2023.

**Development Bureau**

**Civil Engineering and Development Department**

**March 2024**