

Section I The Planning Process

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Chapter 1: Time for Review





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*“They say that time changes things,  
but you actually have to change them yourself.”*

*— Andy Warhol*

## 1.1 Introduction

- 1.1.1 The Hong Kong 2030: Planning Vision and Strategy, or “HK2030 Study” in short, is tasked to update the Territorial Development Strategy for Hong Kong, which is defined as:

“a long-term planning strategy to guide future development and provision of strategic infrastructure, and to help implement government policy targets in a spatial form”.

It recommends, on the basis of a series of assumptions, how our spatial environment should respond to various social, economic and environmental needs in the next 20 to 30 years, taking Hong Kong towards a shared vision.

### *Another Paradigm Shift*

- 1.1.2 A small territory though it is, Hong Kong experienced rapid development evolving from a small fishing village to a metropolitan city. It has sustained through several rounds of economic transformation and developed into one of the most vibrant and dynamic cities in the world.

- 1.1.3 Hong Kong’s success is a result of many factors, and perhaps with a dash of luck as well. It occupies a strategic location at the heart of East/Southeast Asia, assuming the role as a regional transportation hub and the southern gateway to



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China. Most parts of East Asia can be reached within five hours of flight time from Hong Kong and about 40 Mainland cities are linked to Hong Kong by air services. It has world-class transportation and telecommunications infrastructure, including a deep-water port which is one of the busiest and most efficient in the world. It has the most open economy, a stable monetary system, a low and simple tax regime, advance legal and accounting systems and an efficient public service. Its people are industrious and stable. All these have contributed to the success of Hong Kong as an international business and financial centre, a major trade hub as well as an important transportation node in Asia.

- 1.1.4 However, one might question whether these strengths can help us maintain our position in the next decades in the light of mounting global and regional competition. Rising community aspirations for a better quality of life, too, make it necessary to adjust our goals and priorities. More importantly, gone are the days when the success of a city is measured by its economic performance. Today, the quest for sustainable development commands a more vigilant attitude towards growth and development. Are we indeed on track towards sustainable development? Do we have the capacity, and the will, to advance in this direction?

### *Preparing for the Future, Shaping the Future*

- 1.1.5 The biggest challenge for long-term planning is projecting a future which is full of uncertainties. Thirty years ago when Hong Kong was frequently branded as one of “Asia’s four little dragons” with double-digit growth rates for its manufactured exports, few might have predicted that one day it would be so much de-industrialised and transformed almost fully into a services economy. Even fewer could have guessed that China would be the China of today, with Hong Kong ardently returning to her embrace. However, we are at least certain that further changes are forthcoming. To prepare for the changes, we have to plan ahead,



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but uncertainty, particularly in relation to many external factors we cannot control, dictates that the key to a good long-term strategy is to maintain flexibility.

- 1.1.6 Nevertheless, a good strategy is not only about passively responding to changing circumstances. Sure enough, we are in a position to actively shape our future. The HK2030 Study will aim to contrive a strategy that is driven by a vision – a vision that makes Hong Kong a better place in which to live and work, under the over-arching goal for sustainable development – a city that could rightfully assume the title of “Asia’s world city”.

### 1.2 The Territorial Development Strategy

- 1.2.1 Strategic planning in Hong Kong has come a long way since the preparation of the Abercrombie Report in post-war 1948, responding to the needs of rebuilding Hong Kong and to the massive influxes of migrants from the Mainland at that time. Apart from this, past reports include:
- Colony Outline Plan 1970
  - Hong Kong Outline Plan 1979
  - Territorial Development Strategy (TDS) 1984
  - Revisions of Territorial Development Strategy 1986/1988
  - Territorial Development Strategy Review 1996
- 1.2.2 The earlier plans tended to provide only broad-brush planning directions and did not contain quantifiable substantiation for the recommendations. Major recommendations include the introduction of the zonal concept, target population densities, the provision of a comprehensive transport network (including a cross-harbour tunnel), and the development of satellite towns in the New Territories.
- 1.2.3 The formulation of TDS thus presented a significant breakthrough. It followed a systematic approach of setting out the objectives and issues; identifying constraints; generating options; evaluating the options to derive a preferred option; and translating the preferred option into definitive plans and programmes. Sophistication was especially introduced into the option evaluation and impact

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assessment processes, i.e. a computer-based “land use-transport optimisation model” (LUTO) was developed to facilitate the formulation of the development options, in recognition of the strong relationship between land use and transport infrastructure construction/utilisation, and the need to reconcile the two components. The options were subsequently evaluated against a set of criteria to generate the preferred option. However, environmental factors, while taken in consideration in the TDS study, formed only a small part of the evaluation criteria and were only involved in the final phase of the strategy formulation process.

- 1.2.4 Two rounds of minor revisions to the TDS were made respectively in 1986 and 1988, mainly to take on board recommendations of another two important strategic plans, viz. the Port and Airport Development Strategy and the Metroplan.
- 1.2.5 The last comprehensive review of the TDS was completed in 1996 and released to the public in February 1998. Under this review, there was a much stronger emphasis on the environmental attributes, so much so that the “land use-transport” duo became the “land use-transport-environment” trio. While its predecessors took into account a number of environmental factors, the TDS Review was the first strategic land use planning study in Hong Kong in which the environmental baseline conditions were fully assessed and a separate Planning and Environmental Assessment was carried out.
- 1.2.6 Another major achievement of the TDS Review was the introduction of the sustainable development concept, which has subsequently led to a major study under the title “Sustainable Development for the 21st Century” (SUSDEV21) conducted at the turn of the century. The study aimed to redefine the concept to suit Hong Kong’s circumstances and develop proposals for a user-friendly system that could provide a basis by which policies, resource allocation, planning, programming and works implementation could be developed, applied and monitored in a co-ordinated and sustainable manner.
- 1.2.7 Despite the big step forward, there is still room for improvement. From the last review of the TDS, lessons can be learnt especially in revising the approach for the HK2030 Study:

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- (a) One of the main complexities encountered in the last review was the disagreement on the population assumptions. We therefore need to study more on the fundamental factors of growth as well as causes to changes in characteristics in order to ensure that our population assumptions would be as plausible and persuasive as possible.
- (b) The working assumptions adopted in the last review were essentially derived on the basis of past trends. Hence, the recommended strategies and development programmes were basically driven by demand. Such an approach was considered shortsighted and insensitive to the external environment, global/regional development trends and community aspirations. A visionary approach is called for.
- (c) The time-frame of 20 years in the last review was considered too short with regard to the long lead time required to plan and implement major planning proposals, especially when the study process itself already took up several years. A longer time-frame is therefore required. However, as the level of certainty diminishes with time, we need to ensure that the lengthening of time-frame does not give the impression that we are in any better position to “foretell” the future.
- (d) In the past strategic planning studies, we had been quite confident about the assumption that Hong Kong would maintain its rapid pace of population expansion and economic growth, which would necessitate a continuous quest for developable land. However, more recent trends do not present such a clear-cut pattern. In view of the uncertainties over the long-term and to provide the necessary flexibility, there is a need to formulate a robust strategy that responds well to a wider range of possibilities, and to devise an escape mechanism that allows making deviations to the strategy in case of unexpected changes.
- (e) Although three rounds of extensive consultation were undertaken for the last review, it appears that the public was still not too satisfied with the approach. We need to review and refine the

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study method to allow a higher level of engagement with the community in the study process.

### 1.3 New Circumstances Leading to a New Vision

- 1.3.1 Hong Kong's reunification with our motherland in 1997 did not only signify a historic moment for a new era, but also brought about momentous changes to the economic and social structure of Hong Kong. These factors have strategic implications for the long-term development of the Special Administrative Region.
- 1.3.2 The turn of the century denotes a turnaround in the population growth trends. For decades, Hong Kong's population has been growing at a tremendous speed, averaging an addition of about a million every ten years. Latest forecasts indicate that we may achieve only about half that rate in the coming 30 years. The slowing down in population growth has relieved pressure for housing, and the need to identify new strategic growth areas. It allows room for us to focus more on the quality of our living environment. Nevertheless, the ageing of the population could pose new challenges in the years ahead.
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- 1.3.3 Economically, Asia experienced the financial crisis of the late 1990s which revealed Hong Kong's economic strength and robust resilience. Amidst the financial crisis, the Hong Kong economy experienced a thorough adjustment with the Gross Domestic Product falling by 4.9% and unemployment rate surged from a low of 2.2% to 4.7%. Fortunately, Hong Kong has quickly recovered from the crisis, thanks to a rising economic power behind us.
- 1.3.4 With China's accession to the World Trade Organisation, her economy is gradually transforming into a more liberalised and accountable regime. Alongside, Hong Kong will be able to benefit from reduced transaction cost and expanded trade potentials. It is expected that greater business opportunities will be available for particularly the distributive trades, banking, finance, telecommunications and tourism

sectors. On the other hand, more intense competition in the Mainland market is also envisaged. The continuing structural changes in our economy are not occurring only in the manufacturing sector, but low-order services activities are beginning to relocate across the boundary as well. To turn challenges into opportunities, Hong Kong needs to re-position itself to sustain and expand its gateway and hub function for China.

- 1.3.5 The relaxation of the tourist policy in the Mainland has significantly increased the number of Mainland tourists visiting Hong Kong in the last few years. It has resulted in speeding up the economic recovery of Hong Kong. Furthermore, the implementation of Closer Economic Partnership Agreement will further enhance our economic relationship with the Mainland.
- 1.3.6 The socio-economic linkages between Hong Kong and the Mainland have contributed to the dramatic growth of cross-boundary movements of goods and people. These interactions have raised a surge in both passenger and vehicle trips. The rapid growth in cross-boundary movements has placed tremendous pressure on our infrastructure and warrants a re-visit of the various scenarios developed in the previous TDS.
- 1.3.7 Our national policies, including China's 11th Five-Year Plan ratified by the National People's Congress in March 2006, also brought in new dimension to our outlook about Hong Kong's future role and how we should re-position ourselves in light of the many changes occurring in the Mainland.
- 1.3.8 On another front, recommendations of the SUSDEV21 Study led to the formation of the Council for Sustainable Development in 2003 which is tasked to promote sustainability in Hong Kong, in particular through extensive public engagement processes and debates about the shape of our future as well as priorities. The Council's first engagement process culminated in the promulgation of the First Sustainable Development Strategy for Hong Kong by the Government in May 2005, which encompasses, among other things, the important issue of "Urban Living Space".

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- 1.3.9 Another major event in 2003 was our battle against Severe Acute Respiratory Syndrome (SARS) which has raised wide community



awareness of the importance of personal hygiene and demanded for better living environment. The outbreak of SARS at Amoy Garden in particular prompted a rethink on building design (especially regarding drainage and air ventilation) and urban design. In August 2003, the Team Clean proposed a set of measures together with an education programme to make Hong Kong a cleaner and more hygienic city, including for example, application of urban design guidelines to improve the urban environment. Many of these measures will have important implications for the urban landscape of Hong Kong.

- 1.3.10 In consideration of these new circumstances, Hong Kong needs to chart a new course towards a common vision for a better and sustainable future. The planning strategy formulated under the HK2030 Study thus aims to articulate our shared vision and set out a roadmap for that part which relates to physical planning towards achieving this vision.

### 1.4 A Guide to the Final Report

- 1.4.1 This Final Report of the HK2030 Study is set out in sixteen chapters in four sections. It concentrates on what matters most, i.e. the broad concepts and strategies, with details included in supporting technical reports and working papers (**Annex I**). The first section explains the planning process, the second elaborates on the planning vision and objectives, the third outlines the planning choices and the fourth sets forth the planning strategy and next steps.

#### Section I : The Planning Process

##### Chapter 1 – Time for Review

- Setting out the background and reasons for the review.

### **Chapter 2 – Doing it Right**

- Explaining the process and approach of the study.

### **Section II : Planning Vision and Future Challenges**

### **Chapter 3 – A Vision for the Future**

- Describing our vision as Asia’s world city – a city that is proud of its outstanding achievements for sustainable development.

### **Chapter 4 – The Desired Living Environment**

- Featuring an overview of the attributes for a living environment which Hong Kong people aspire to.

### **Chapter 5 – The National Dimension**

- Looking at development at the national level and the relationship between Hong Kong and the Mainland.

### **Chapter 6 – The Changing Economy**

- Examining how Hong Kong’s economic landscape has changed over time and the future challenges we face.

### **Chapter 7 – Population Dynamics**

- Addressing the implications of the projected population growth and structural changes.

### **Chapter 8 – Defining Our Needs**

- Setting out the working assumptions and assessing requirements for various land uses under a Reference Scenario.

### **Section III : Planning Choices**

### **Chapter 9 – Deriving Planning Choices**

- Describing the planning choices evolved in different stages of the Study and options for the spatial development pattern.

### **Chapter 10 : Evaluation Framework**

- Highlighting the framework, principles and approach of assessment for the development options in terms of transport,

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environmental, financial and economic assessments, and presenting results of option evaluation.

### Section IV : Planning Strategy and Next Steps

#### Chapter 11 – Preferred Development Option

- Depicting the preferred spatial development pattern, including new development areas, development densities, transport network and other major infrastructure.

#### Chapter 12 – Impact Assessments

- Summarising results of various impact assessments on the preferred development option and recommending suitable mitigatory measures where appropriate.

#### Chapter 13 – A Future Roadmap

- Setting out the strategic planning principles and measures pertaining to the three broad directions.

#### Chapter 14 – What If....?

- Postulating alternative scenarios with broad assessments to explore the implications of future situations which deviate from what we now expect.

#### Chapter 15 – Response Mechanism

- Recommending a mechanism to respond to unexpected circumstances as we move ahead.

#### Chapter 16 – Outstanding Issues and Conclusion

- Outlining the next steps to address outstanding issues.