The HK2030 Study is tasked to update the Territorial Development Strategy (TDS) for Hong Kong recommending, 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.

Hong Kong can be proud for many things – being the world’s freest economy, a vibrant international financial centre, and a trading hub with total trade value exceeding three times its gross domestic products, excellent port and airport infrastructure, just to name a few. However, increasing community awareness on other important issues, including the worldwide quest for sustainable development, has prompted a shift of emphasis towards the demand for quality living space, as well as a more vigilant attitude towards growth and development.

While the future is dictated by uncertainty, we need to plan ahead and be prepared for whatever the future has in store for us. At the same time, we should not only be passively responding to changes, but make bold attempts at actively shaping our future.

The turn of the century marked momentous changes for Hong Kong. The reunification with our motherland, which is undergoing dramatic change, in particular, has brought us numerous new opportunities, as well as challenges. Changes across the world are also affecting us tremendously. The forces of globalisation are putting in place a new world economic order, but concurrently posing immense challenges on the environment and social development. Moreover, technological advances are also constantly changing our work-modes and lifestyles. This is an opportune moment for us to review the directions for our future development, making sure that we are taking the right steps down a right path.
While the study followed the footsteps of its predecessor (the TDS Review) in adopting a systematic, fact-based and analytical approach, it has made a revolutionary breakthrough in a number of aspects, including conducting more studies to support its working assumptions (for example on population growth), being more anticipatory of changes that our vision calls for, adopting a longer planning horizon, targeting at the formulation of a robust strategy that can cater for different future scenarios and undertaking extensive and multi-modal public engagement exercises.

An unprecedented approach could bring about both benefits and challenges. Seeking agreement from the community on a vague and far from personal vision and issues not of their immediate concern is never straightforward. Broadening study perspectives, especially for a study of this scale, would render reduced attention on each of the perspectives and increase the difficulty in managing such a wide range of issues. Implications of any slight socio-economic and technological change would be magnified through a longer planning horizon, which could end up impairing the reliability of the working assumptions. We must therefore recognise that the HK2030 Study is meant to set the context for considering broad concepts and for making recommendations on strategic-level planning directions, rather than serving as a detailed blueprint dictating either the form or timing of future development, especially that of the longer term.
The vision for Hong Kong to strengthen its position as Asia’s world city was spelt out by the Commission on Strategic Development. It says in a report published in 2000:

“Hong Kong should not only be a major Chinese city, but could become the most cosmopolitan city in Asia, enjoying a status comparable to that of New York in North America and London in Europe.”

Having consulted key stakeholders and community representatives, the Commission further fleshed out this vision into a series of recommendations centred on the themes of strengthening links with the Mainland, enhancing competitiveness, improving quality of life and reinforcing identity and image.

Translating the vision and recommendations into the spatial planning context, the HK2030 Study defines an overarching goal and specific planning objectives for the study, as follows:

**Goal –**

“The HK2030 Study should adhere to the principles of sustainable development to balance social, economic and environmental needs to achieve better quality of life for present and future generations.”

**Planning Objectives –**

1. Providing a good quality living environment by ensuring our development is undertaken with due regard to the environmental carrying capacity; enhancing the townscape; and regenerating the old urban areas.

2. Conserving the natural landscape which is of ecological, geological, scientific and other significance and preserving our cultural heritage.
3. Enhancing Hong Kong’s hub functions by setting aside sufficient land reserves to meet the changing needs of commerce and industry; strengthening our role as a global and regional financial and business centre; strengthening our role as the international and regional trading, transportation and logistics centre; and developing further as an innovation and technology centre for Southern China.

4. Meeting housing and community needs by ensuring timely provision of adequate land and infrastructure for the development of housing and community facilities.

5. Providing a framework to develop a safe, efficient, economically viable and environmentally friendly transport system.

6. Promoting arts, culture and tourism to ensure Hong Kong will continue to be a world-class destination with unique cultural experience for visitors.

7. Strengthening links with the Mainland to cope with the rapid growth of cross-boundary interaction.

To take forward these goals and objectives, we have researched into the background of and identified key issues relevant to the living environment, the national dimension, the economy and population trends.
Improving the living environment is a primary aim of planning and planning for people is central to our study. It is therefore important to define conditions for a living environment that people aspire to. Based on our research and public views received, some of the key attributes have been identified.

- **A Green and Clean Environment** – It is widely recognised that a green and clean environment is essential for the health and well-being of our people, and thus this area should be treated with relative priority.

- **Good Aesthetics** – Quality urban design is needed for Hong Kong to be worthy of being called Asia’s world city. Other than creating interesting streetscapes and urban profiles, we also need to pay attention to special locations like the harbourfront and the countryside.
• **Efficient Movements** – As development drives trip generation, an integrated approach for land use and transport planning is necessary. A spatial development pattern with more development around rail stations could facilitate optimisation of infrastructure capacities, enhance efficiency in the use of land and facilitate fast and mass movement of people in an environmentally friendly mode of transport. Also, encouraging mixed use neighbourhoods could reduce trip generation and length, in addition to promoting walking and cycling.

• **A Sense of Space** – Human beings on the whole have an innate yearning for space. While the sense of space may vary among people, providing overall balance and harmony is the key to good spatial design and planning.

• **Diversity to Provide Choice** – In recognition of the multiplicity of preferences, our planning strategy must aim to provide a wide selection of living choices to suit different people.

• **A Sense of Place** – Certain architectural, social, cultural or traditional characteristics can make a place or neighbourhood special or unique, foster a sense of identity and belonging as well as strengthen community bonds.

• **Good Urban Infrastructure** – Good urban infrastructure, including community facilities, open space, efficient and green energy supply, sewage and waste treatment systems, is an essential part of a city’s development. We need to plan ahead and ensure timely provision.

• **An Inclusive and Caring Society** – It is also important that what we plan for could be equally enjoyed by all members of the community, irrespective of income, religion, race or abilities. Fair access to urban infrastructure can help enhance social mobility, build up a stronger sense of community and promote social harmony, which are all essential elements of our social capital.
Hong Kong’s socio-economic ties with the Mainland have intensified over the past few decades, prompted by her open-door policies, economic reforms and accession to the World Trade Organisation. Our reunification with the motherland, signing of the Closer Economic Partnership Arrangement (CEPA), and establishment of the Pan-Pearl River Delta (PRD) Regional Cooperation Framework also marked significant moments in history.

This intensification process is reflected in the annual statistics for cross-boundary movements – person-trips rose from about 75 million in 1997 to about 160 million in 2006, while vehicle-trips (mostly by goods vehicles) grew from some 10 million to 15 million over the same period.

Growth in both cross-boundary person- and vehicle-trips is expected to continue at high speed. The commissioning of the Hong Kong-Shenzhen Western Corridor (SWC) and the Lok Ma Chau Spur Line in mid 2007 could help ease off part of the load, but new infrastructure for the medium to long term will be needed. As such, we are, in collaboration with relevant Mainland authorities, working on some important projects, such as the Hong Kong-Zhuhai-Macao Bridge (HZMB), the Guangzhou-Shenzhen- Hong Kong Express Rail Link (ERL) and the Liantang/Heung Yuen Wai Control Point with a view to accelerating their implementation.
Apart from planning for transport infrastructure, a joint spatial planning study, the Study on the Coordinated Development of the Greater PRD Townships (the Greater PRD Study), is being conducted to identify issues of regional concern and serves as a platform for the exchange of planning information. In the light of rising global competition, close co-ordination with our neighbours in the PRD to capitalise on the advantages of the whole city-region would be of strategic importance.

As reflected in her Eleventh Five-Year Plans at the national, provincial and city levels, China will continue to instigate further changes towards modernisation. The role played by Hong Kong is thus experiencing further transformation. On the economic front, with our established institutions and framework of “one country, two systems”, we should look beyond our existing roles as “gateway” and “springboard” to actively participate in Mainland’s development. Socially and environmentally, we should not just be “good neighbours” who maintain a cordial relationship, but members of one family who share in the responsibility of making this whole city-region a liveable home. Hong Kong could aim higher to become an example of a true world city with a good living and working environment. To this end, we must strive to stay ahead, especially in achieving sustainable development.
The robustness of Hong Kong’s economy has been proven in its many rounds of transformation as well as resilience upon downturns, especially during the Asian financial turmoil and the Severe Acute Respiratory Syndrome (SARS) incident. The current good economic performance certainly points to a promising prospect, with continuation of the restructuring process towards high-skill, high-technology and high-value-added services.

Looking further ahead, our economic link with the Mainland is still undoubtedly our greatest advantage in sustaining growth in the long run. As one of the most open economies of the world, Hong Kong also needs to look constantly at global trends. The forces of globalisation and technological advances are expected to continue to reshape the world economy and raise the level of competition. These trends require us to think deeper on new ways to compete in the world market successfully.

Our future economic vitality will be supported by a number of key sectors. We need to ensure that adequate and suitable land and infrastructure will be available in a timely manner to sustain their growth.

- **Finance and business services** – With our fine institutions and pool of financial talent from all corners of the world, Hong Kong’s financial sector is poised to remain as one of our key economic pillars, not only in its capital-raising capacity, but in conducting renminbi business and other new areas. Our business services also play an important role and the signing of CEPA has brought in many new opportunities for this sector. The two sectors are expected to continue to expand and at the same time attract more overseas and multi-national corporations to set up office in Hong Kong, thus driving demand for prime grade offices, notably in the central business district.
Economy

- **Trade** – Being the world’s eleventh largest trading economy, Hong Kong’s vibrant growth in this sector is underpinned by Mainland’s strong demand for industrial inputs for export production and sustained consumer demand from the United States and the European Union. Trading firms are mostly accommodated in secondary office/business nodes, such as those transformed from old industrial areas, and the progressive increase in flexibility of planning and land control in the past few years has facilitated this transformation process. A robust trading sector requires the support of, and in turn enhances growth in, the convention and exhibition business. On top of current expansion plans, further provision will need to be considered to address longer-term requirements.

- **Logistics** – In the face of regional competition, Hong Kong’s logistics industry, leveraging on our first-rate port and airport, is making every effort to improve efficiency and provide speedy, reliable and full-scale value-added logistics services so that quality can compensate for cost differentials. However, due to the scale of the infrastructure required to support this sector, we need to ensure that the consideration and planning of new facilities to meet future needs should be made well in advance.

- **Special industries** – Innovation and technology are important drivers of the long-term growth of an economy for both production and services. The Government has strong commitment in driving forward innovation and technology through establishing a multi-faceted strategic framework and facilitating the provision of suitable and adequate technology infrastructure, such as industrial estates and the Science Park.
• Cultural and creative industries – Cultural and creative industries, broadly referring to industries with value added through creativity, could provide an enabling environment to nurture creative talents (especially among young people), arouse awareness of the importance of this sector, generate employment, and support intra-regional and international cultural networks. As this is a rather diverse sector, we need to identify different user needs and plan for their accommodation and infrastructure requirements accordingly.

• Tourism – The tourism industry contributes significantly to both Hong Kong’s economic growth and the overall employment, especially jobs requiring a lower skills level. New Mainland policies implemented since 2003 have boosted visitor arrivals and tourism receipts. Taking advantage of our geographical location, Hong Kong can continue to act as a tourism gateway of China, capturing both outbound travellers from the Mainland and en-route inbound visitors to the Mainland through the planning of more multi-destination tours. Within Hong Kong, there is scope to widen our tourism offer, through the development of alternative tourism, such as ecotourism and cultural tourism.

• Human resources – Other than “hardware” planning, the quality of our human capital also has a direct bearing on Hong Kong’s economic competitiveness. We need to ensure an adequate workforce to sustain our economic growth, not only in size, but also of the right calibre.
Hong Kong’s population has more than doubled in the past 40 years, reaching almost 7 million as of mid-2006. The population growth has largely been attributed to migration from the Mainland under the One-way Permit Scheme, which contributed nearly one million of our population growth since the 1980s. Fertility rates are extremely low and the falling trend continues, although total births are “replenished” by an increasing number of children born to Mainland mothers in recent years. This latter phenomenon could create uncertainty in the planning for education, housing and social facilities as it is not clear whether (and, if so, when) those babies brought back to the Mainland would return to Hong Kong. This needs to be closely monitored.

Hong Kong’s labour force represents about half of our total population, with a participation rate of about 60%. However, the education and skills level, though rising in recent years, still needs to be improved to that required of a knowledge-based economy.

With the rise in social and economic interactions with the Mainland, our population does not only grow in number but in dynamism. While the number of “mobile residents”, as officially defined, is not significant, the mobility patterns of residents usually living in Hong Kong (i.e. “usual residents”) but travelling frequently out of Hong Kong, and those not usually living in Hong Kong but come back here to work or for other purposes also warrant our attention. Both movement records at the immigration control points and results of various surveys indicate that mobility of Hong Kong people in and out of the territory is extremely high. This has posed great pressure on our cross-boundary infrastructure.
Looking ahead, with persistently low fertility rates, our population growth is expected to slow down significantly. The latest official projections indicate that Hong Kong’s population will reach 8.6 million by 2036, representing an increase of about 25% from now, or about 57,000 a year on average.

Low fertility rates also lead to two phenomena – smaller household size and ageing population. Household size is expected to fall from the current average of 3.0 to 2.6 in 2033, and the proportion of persons aged 65 or above will rise from the current 12% to 26% in 2036. These trends may have significant implications for the planning of housing and other social facilities.

While our workforce will continue to expand in the coming years, it will begin to fall by the middle of the next decade as the effect of ageing population comes in. A shrinking workforce will impact significantly on our economic sustainability. Moreover, with deepening socio-economic ties between Hong Kong and the Mainland and increasing globalisation, the mobility of Hong Kong people, especially the working population, is expected to continue to rise at a steep curve. Pressure on cross-boundary facilities and air services will intensify.
The HK2030 Study has depicted a Reference Scenario (RS) which attempts to translate our vision for Hong Kong into a set of working assumptions and define some of our social, environmental and economic needs in more concrete and, where possible, quantitative terms. It highlights those factors which need to be taken on board in the consideration of a most appropriate spatial development pattern for Hong Kong and in conducting various impact assessments on this pattern.

Assumptions in our RS may not follow strictly the official statistics as we need to be more anticipatory of changes and pro-active in defining our future in such a long-term strategic planning exercise. On the other hand, the RS must also be plausible and achievable. Key working assumptions of the RS are shown in Table 1.

Table 1  Key Working Assumptions of the RS

<table>
<thead>
<tr>
<th></th>
<th>Base Year¹</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong> (million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident</td>
<td>6.8</td>
<td>7.2</td>
<td>7.8</td>
<td>8.4</td>
</tr>
<tr>
<td>Working</td>
<td>3.2</td>
<td>3.6</td>
<td>3.8</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Employment</strong> (million)</td>
<td>3.0²</td>
<td>3.5</td>
<td>3.7</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Annual GDP Growth (%)</strong></td>
<td>-</td>
<td>4.0</td>
<td>3.5</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>Housing</strong> (thousand)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock</td>
<td>2,394</td>
<td>2,642</td>
<td>2,948</td>
<td>3,319</td>
</tr>
<tr>
<td>Cumulative Requirement</td>
<td>-</td>
<td>248</td>
<td>553</td>
<td>924</td>
</tr>
<tr>
<td><strong>Economic Land³ (million m²)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CBD Grade A offices</td>
<td>4.1</td>
<td>5.1</td>
<td>5.8</td>
<td>6.7</td>
</tr>
<tr>
<td>General Business</td>
<td>33.0</td>
<td>35.5</td>
<td>36.2</td>
<td>38.2</td>
</tr>
<tr>
<td>Special Industries</td>
<td>4.0</td>
<td>5.5</td>
<td>6.0</td>
<td>6.7</td>
</tr>
</tbody>
</table>

¹ As the data was largely compiled in 2005 when information on 2004 was not fully available, the Base Year has been taken to be 2003 for the sake of consistency. This applies to all references to the Base Year in this report.

² The employment estimates for 2003 (i.e. 3.0 million) is considered to be uncharacteristic because of the impacts of SARS. Therefore, the 2002 employment estimates (i.e. 3.2 million) has been used to represent the Base Year figure and for deriving the employment assumptions for future years.

³ The figures included in the table reflect the floorspace demand for the three types of economic land. Their corresponding net requirements are derived taking into account the existing surplus stock and the need to accommodate a “natural vacancy” factor.
Whilst providing choice is important, it is recognised that making group decisions could be a difficult task as priorities and likings of individuals could be very different. The HK2030 Study emphasises an interactive and collective thinking process both within Government and among stakeholders of the community. Within Government, we have a role of ensuring cohesiveness of different policies as they feature in our planning strategy. At the same time, we need to engender wide ownership of this strategy among Hong Kong people.

After years of rapid urbanisation, overtaxing heavily the environment and disrupting social balance, the world has now awakened to the notion of sustainable development. This implies that a city’s growth need to be well managed, with more use of brownfield land and less of greenfield land. The timing of development and level of government intervention are also critical factors.

Due to the long lead time required for the production of development land, the “landbanking” concept has been floated to ensure land will be available in time to capture “windfall” opportunities. This concept may be applicable to land extensive uses of which the demand is less predictable, e.g. special industries. For major infrastructure, Government has a role to monitor demand carefully and instigate implementation reasonably ahead of demand. For other land uses, in step with our “big market, small government” principle, Government should maintain a facilitating role and leave the actual delivery of the supply to the market.

In deriving different development alternatives, we have taken a “component approach” by identifying options for individual land uses. This involved a three-step process including a coarse-screening exercise to screen out “no-go areas” (Annex I) and a broad assessment of the available choices (Annex II).
Choices

Next, the choices were amalgamated to form two development options (Annex III), namely the Consolidated Option and the Decentralisation Option, to facilitate consultation with the public before deriving the Preferred Development Option based on community choices.

The Consolidation Option involves making more use of available opportunities in existing urban areas, fast-tracking development of Kai Tak, facilitating more urban renewal and putting back implementation of new development areas (NDAs) in the New Territories. This option allows more efficient use of land and infrastructure, conserving more rural land and avoiding making heavy investments on developing NDAs at an early stage when land supply from existing built-up areas is still available. But it leaves less room for relieving congestion in the Metro Area (i.e. the areas covering Hong Kong Island, Kowloon, Tsuen Wan, Kwai Chung and Tsing Yi) and may exert pressure on the capacity of infrastructure at certain urban locations.

The Decentralisation Option proposes earlier realisation of NDAs, developing more NDAs, reducing the extent of development in the Metro Area and encouraging more urban rehabilitation. This option allows scope for achieving lower development densities in the Metro Area, enhances viability of infrastructure in northern New Territories through earlier and more development of NDAs, provides a wider choice of housing types and locations, helps improve the degraded rural environment, and allows a more balanced distribution of population across the territory. However, NDAs require substantial government investment (although it is retrievable through subsequent sale of sites at the NDAs), demand longer travelling distances and time, and could create social disruption in the process of land resumption and site clearance.
As neither of the two options stands out, the Preferred Development Option, i.e. spatial development pattern based on which impact assessments are conducted, (Annex IV) has been derived by extracting the more desirable elements from each of the options forming a hybrid. Changes in the working assumptions (e.g. reduced population assumptions) during the course of the study have also affected the outcome of the Preferred Option.

Spatial Planning Concepts and Functions

Our preferred spatial development pattern is underpinned by a number of broad planning concepts – prudent use of land resources by planning for more development around rail stations to facilitate fast and mass movement of people in an environmentally friendly mode of transport, coupled with better utilisation of development opportunities in the existing built-up areas where infrastructure capacities permit. However, care should be exercised to take into account urban design considerations (such as building mass and height, provision of breezeways etc.) as well as heritage conservation objectives, in the detailed planning of new developments. While massive construction programmes like the new towns of the 1970s to 1990s are not recommended at this juncture, NDAs in the New Territories of a moderate scale (each with a population of roughly 100,000 to 200,000) are proposed. This approach of optimising opportunities in the urban areas would allow us to preserve much of our rural land.
In terms of future development directions, the core urban areas will still remain as the focal point of development and urban activities. Further development opportunities will be found along three axes – (i) the first in a north-south direction roughly aligning with the East Rail; (ii) the second spreading westwards from the core towards Lantau; and (iii) the third alignment in northern New Territories located close to the boundary with Shenzhen (Figure 1). These development area/axes will serve the following functions:

- **Central Development Axis** – Community-type housing and education/knowledge-building facilities;
- **Southern Development Axis** – Logistics and major tourism facilities; and
- **Northern Development Axis** – Non-intensive technology and business zones and other uses that capitalise on the strategic advantage of the boundary location.

For the rest of Hong Kong in areas falling outside existing developed areas, we would recommend a lower level of development with conservation being a priority consideration.

*Figure 1  Schematic Spatial Plan*
Housing

With these spatial concepts and functions in mind, the future supply of new housing land will be provided mostly in the existing urbanised areas, including the Metro Area (accommodating some 40% of the additional population) and remaining parts of existing new towns (another 30%). The residual 20% and 10% will respectively be accommodated at NDAs and scattered across the rural areas in the New Territories.

Prime Offices

For Grade A Offices needed to support the continued growth of our financial and business service sectors and sustain our role as a choice location for corporate headquarter functions, the focus will be given to providing more office land of prime quality at the existing central business district (CBD) which has been extended to Admiralty and Wan Chai, and perhaps also Tsim Sha Tsui. We can make use of remaining undeveloped plots and freeing up spaces by decentralising some of the government offices and other government uses that do not require a central location.

A similar filtering process within the private sector is also expected.

Concurrently, West Kowloon will become a major rail hub upon completion of the Kowloon Southern Link and the ERL, in addition to the existing Airport Rail. This location also has a point-to-point connection with the heart of Central via the Tung Chung Line. Together with the new commercial building (under construction) at the Kowloon Station Development, this locality will offer good potential for the development of a new cluster of prime offices. The Kai Tak Development, too, could provide space for another cluster of offices to meet longer-term demand. Meanwhile, we would assume that the private market will continue to generate new office supply to meet some of the demand, including redevelopment at the CBD as well as further expansion of the office node at Quarry Bay.
General Business Uses

The demand for general business uses (i.e. non-CBD Grade A offices and traditional industrial/warehouse uses) is expected to be largely met by utilising the unrealised development potential arising from the redevelopment of existing industrial areas and secondary office nodes, such as Kwun Tong and Kowloon Bay.

Employment Uses in the New Territories

As office activities have a tendency to agglomerate in the urban core areas, we do not propose decentralisation of such uses out of the Metro Area. However, to meet aspirations for more employment opportunities closer to places of residence, we recommend that employment uses of special categories could be provided in the New Territories. These include new zones to accommodate industries of improved technology and facilities related to higher education, both to be developed at part of the proposed NDA schemes.

Separately, subject to the resolution of various development constraints, parts of the Frontier Closed Area (Closed Area) could also be deployed for employment uses, especially those capitalising on our connection with the Mainland. Possibilities will be examined in the “Land Use Planning for the Closed Area – Feasibility Study”.
New Development Areas

While massive construction in the form of the conventional new towns is not recommended, we propose implementing some of the previously conceived NDAs, which would, individually, be no more than a quarter of the size of most of the current new towns. Other than providing housing land, NDAs could serve to meet other land use requirements, such as special industries and educational uses, which will also provide employment. NDAs also offer an alternative choice of living through the development of lower-density buildings (with plot ratios comparable to earlier-generation new towns like Sha Tin) in a quality living environment, with convenient access to mass transportation and community facilities. Besides, by shifting some of the population from the dense urban areas to the New Territories, we could achieve a more balanced territorial development pattern, and help reduce the level of intensification in the urban areas.

Given the slower population growth, there is no need to implement all of the NDAs identified in previous studies within our planning horizon and the priority for implementation has therefore been considered. The development of NDAs at Kwu Tung North, Fanling North and Ping Che/Ta Kwu Ling (Three-in-One Scheme) and Hung Shui Kiu (Figure 2) have been prioritised mainly for the following reasons:

Figure 2  Broad Locations of NDAs
1. These NDAs were examined in the past and the public were consulted on the preliminary proposals;

2. They (except Ping Che/Ta Kwu Ling not recommended for residential use) would be accessible by rail with the construction of new stations; and

3. They are contiguous to existing new towns such that it would be more cost effective in the provision of infrastructure. While proximity to developed areas allows the sharing of community facilities, a more flexible approach in their provisions may be considered.

Development Densities

In recent years, as our development matures and with our community becoming more aware of our cityscape, the effect of high-rise and high-density development is more keenly felt, in particular in the existing urban areas. Both our research and public comments indicate that the development layout and design could help ameliorate the associated urban problems (such as stagnant air, heat island effect) and therefore need to be examined together with the assignment of plot ratios to derive a better “formula” for our urban living environment.

In fact, high-density developments have both merits and demerits, and maintaining diversity in intensity of development will be important. To provide a more spacious live-work environment, we recommend that NDAs should be planned for lower densities, similar to what has been done to the remaining areas of some of the existing new towns. For urban areas, the prevailing densities could be maintained, but development densities of sites in congested localities and the distinctive harbourfront need to be rigorously reviewed giving due regard to urban design and environmental implications (e.g. improving air circulation, providing view corridors). To support this work, further studies on air ventilation and shadow areas will be conducted.
Protection of Rural Areas

One advantage of a high-density development form, which few of us may realise, is that it has enabled more people to live close to nature. With past endeavour to avoid development onto countryside areas, Hong Kong has also been able to engender a rich biodiversity. Through designation of Country Parks, Special Areas and various conservation zonings on statutory town plans, over 40% of Hong Kong’s land area is now under statutory protection, with only slightly more than a fifth being urbanised. Under our Preferred Option, even with the implementation of the proposed NDA developments and major infrastructure, the proportion of urbanised land by 2030 would still be maintained at around a quarter. Hence, the rest of Hong Kong, comprising largely woodland, shrubland, grassland, agricultural land and rural settlements will primarily remain untouched by strategic development proposals, thereby facilitating the continued protection of our valuable natural resources.

Predeterminededs

Predeterminededs refer to those strategic planning components that are being taken care of outside the HK2030 Study. The generation of options and decision on these components are related but independent to this Study. While impact assessments have been (or will be) carried out for the individual components or projects in their respective sectoral studies, inclusion of these components in the Preferred Option could ensure that the overall cumulative impacts would be considered.

Major predeterminededs included in the Preferred Option include the two proposed sites for Container Terminal No. 10 at Northwest Lantau (NWL) and Southwest Tsing Yi (SWTY), and major transport infrastructure proposals. Some of the forecast data of the Hong Kong International Airport (HKIA) 2025 published in December 2006 has also been taken on board in the HK2030 assessments, and Government will keep in view the proposal to examine the feasibility of developing a third runway, having regard to the development of airports in the PRD.
Other than an initial coarse screening and broad evaluation of the two development options, more detailed impact assessments have been conducted on the Preferred Option on the basis of a five-stream evaluation framework (Annex V). This framework has been developed on the basis of sustainable development concepts in line with the overarching goal for the Study, and covers the environmental, economic/financial, land use planning, social and transport aspects.

Although strenuous efforts have been put to ensure that results of the detailed evaluation could be as accurate as possible, for a long-term study such as this, many of the input assumptions could be subject to a high degree of uncertainty, giving rise to a reduced level of accuracy in the results, especially for the longer-term assessments. We should regard the assessments as a means to identify issues early in the planning process in order to allow us to set out along a more desirable path of development, and to provide us a better chance to successfully tackle these issues further down the line.
**Environment**

A Strategic Environment Assessment (SEA) has been conducted as an integral part of the HK2030 Study. It has contributed to each stage of the Study by providing strategic environmental information and suggestions to facilitate formulation of development options which could meet the environmental objectives conducive to the realisation of our vision.

Apart from conducting baseline environmental reviews, the SEA has also been tasked to identify constraints, opportunities and key issues pertaining to the local environment, as well as those arising from development of the wider PRD region. Broad-brush evaluations of the development options and the Preferred Option have been conducted on the nine aspects of air quality, water quality, solid waste, noise, ecology, cultural heritage, landscape, hazard and energy. Details of the SEA are contained in a separate technical report prepared by consultants.

While the assessment results are contingent upon a number of assumptions which are subject to uncertainty, the SEA could be regarded as an effective tool to flag up environmental issues of the proposed developments/projects at an early stage for further study in future. We need to positively confront all the on-site and off-site environmental issues including water, air, aircraft and traffic noise, sewerage infrastructure, ecology, visual impact, hazard, landscape and cultural heritage effect associated with the implementation of various projects such as the proposed NDAs, cross-boundary infrastructure, possible uses of the Closed Area and airport and port developments. Some of these environmental issues could have territory-wide implications cumulatively and may affect the long-term sustainability of Hong Kong. At present, feasibility studies and environmental assessments for some of the proposed development projects are being undertaken but are yet to be completed. For those proposals which are still at a preliminary planning stage, further feasibility studies and environmental assessments are required to look into their suitability, feasibility, environmental impact and mitigation measures in detail at a later stage.
Economic/Financial

The economic and financial assessments conducted in Stage 4 of the HK2030 Study reaffirmed that the financial cost of the proposed infrastructure development to the Government can be, in broad terms, recovered by the revenue return, subject to further detailed assessment. Implementation of NDAs in the New Territories might incur some economic cost for using rural land resources. With respect to the future container terminal development, the analysis concluded that both possible locations, i.e. NWL and SWTY, have their benefits given their close proximity to the proposed HZMB and the existing container terminals in the Kwai Tsing District, respectively.

Overall speaking, the Preferred Option would enhance Hong Kong’s economic competitiveness through the provision of adequate land for prime offices, general business uses, special industries, development of NDAs and new strategic transport infrastructure and an additional container terminal.

Although there is no quantitative data on the number of jobs to be created during the construction and operation stages of the proposed developments, it will likely help create considerable employment opportunities in the medium to long term when they are implemented. Moreover, the HK2030 Study has assumed a higher intake of talent and skilled workers after 2021 to fill the shortfall of workers against the projected employment.

It is expected that adequate housing supply in the market with the NDA development, further development of new towns and urban renewal projects to meet long-term housing needs will help contribute to the stabilisation of private rent and prices (particularly for the mass housing market).
Land Use Planning

The Preferred Option can adequately address the land requirements for housing and various other uses. As the sources of land supply are diverse, it could minimise the uncertainty in land provision both in terms of timing and quantity. The Preferred Option can help decentralise some of the future employment to Kowloon and the New Territories to achieve a more balanced distribution and alleviate the burden on the cross-harbour transport routes.

The initial screening of “no-go” areas (including the vulnerable conservation areas) from our potential development options has helped to ensure proper segregation of incompatible land uses. Optimisation of development opportunities in the existing built-up areas combined with development of moderate-scale NDAs could enable us to minimise the negative impacts on the important ecological attributes of Hong Kong and continue to conserve much of our countryside and ecologically sensitive areas.

Social

The Preferred Option will provide adequate housing land and infrastructure to meet population growth needs, contributing to the overall effort of maintaining a fair and stable operating environment to enable sustained and healthy development of the private property market, which in turn has an effect on housing affordability.

Under the Preferred Option, we foresee the population to be housed in the New Territories will increase from 40% to 45% by 2030. The employment opportunity in the New Territories will rise from 23% to 28% across the same period. As a result, there will be a general improvement in the distribution of resident workers and employment opportunities. The number of persons affected by urban renewal and clearance, and therefore the potential social disruption, should have been kept to the minimum as only a small proportion of the potential housing supply will come from redevelopment of private housing under our Preferred Option.
Transport

With the completion of various railway projects included in the Preferred Option, coupled with an integrated land use-transport-planning framework, more people will be encouraged to use the rail system, and domestic rail patronage is therefore expected to rise considerably in the share of total trips by 2030. On the other hand, for cross-boundary travel, there has been a steady decrease of the rail share since 2000 albeit rising in absolute numbers. This general trend is expected to continue in spite of the completion of the Lok Ma Chau Spur Line, the ERL and the Northern Link.

In terms of average travel distance and journey time, the increase will be gradual and mild. For cross-boundary travel, the planned HZMB will shorten the distance from Hong Kong to Macao and Zhuhai by 95 km to about 30 km, and reduce the journey time between landing points to within half an hour. Similarly with the completion of the ERL, the journey to Guangzhou can be made within an hour from West Kowloon, reduced by some 45 minutes.

The transport assessment reveals that the assumed strategic domestic road networks for 2020 would generally be able to cope with growth needs. Thereafter, it may be necessary to consider options to address the capacity problems along the cross-harbour routes, and between Lantau and the Metro Area. Options may include the provision of an additional harbour crossing and a Tsing Yi-Lantau Link before 2030.

Overall Assessment

On the whole, performance of the Preferred Option in all five aspects under the evaluation framework has been broadly evaluated, with issues flagged up for attention at later planning stages. Moreover, impact assessment at the project level will still be required in future to ascertain the feasibility of individual components of the Preferred Option.
The Future Roadmap

Based on the Preferred Development Option and results of the impact assessments, a Recommended Development Pattern (Annex VI) is derived, embracing the overarching study goal for sustainable development and the spatial planning concepts and functions mentioned above.

Sustainable development demands striking a fine balance between social, environmental and economic considerations as well as taking on good resource management. We need to carefully re-assess the capacities of our developed land and existing infrastructure to avoid wastage, manage our needs with an innovative approach that allows us to do more with less – strive at higher quality and efficiency while being prudent in resource utilisation and encroachment onto greenfield land in the planning for development. This focus on quality rather than quantity is driven by community aspirations, and facilitated by a slower population growth.

The recommended strategy is structured in such a way as to provide a roadmap with clear signage to indicate where it is taking us, milestones (or checkpoints) to monitor progress or changes, and escape routes (response mechanism) to allow us to alter our strategy as necessary to respond to future changes.

Taking forward recommendations of the Commission on Strategic Development which were re-affirmed at the HK2030 Study’s public consultations, we propose that the planning strategy should focus on three broad and interlocking directions:

- providing a quality living environment;
- enhancing economic competitiveness; and
- strengthening links with the Mainland.
Good environmental quality is fundamental to a healthy living environment. Protecting the local environment is also our responsibility as part of the global effort to save the earth. Moreover, we need to strike a proper balance to ensure that our development needs are met without doing unacceptable damage to the natural environment. Adequate co-ordination with environmental and other policies is thus necessary. Due to the intricate relation between land use, transport and the environment, a good land use plan can help reduce trip generation and rationalise traffic flows and help minimise the level of traffic-induced pollution. The rail-based development approach recommended under the TDS Review and the Third Comprehensive Transport Study should be rigorously pursued. In parallel, good urban/building design practices which enable better air circulation and more efficient energy use, and foster a greener and healthier lifestyle (such as engaging in more walking and cycling) should be encouraged.

Roadmap

Direction I – Providing a Quality Living Environment

To provide a quality living environment, we need to, through a communication and understanding process, create a sense of place which recognises local character to foster a sense of identity and belonging. Consideration should be given to the needs of people of different backgrounds and abilities to ensure diversity and inclusivity in the planning for facilities, and that social resources, such as public housing, are used effectively and efficiently for long-term sustainability. A sense of place is also reinforced by a harmonised and balanced built environment advanced by good urban design, as well as respect for heritage, cultural characteristics and natural endowments. Where appropriate, consideration of features of conservation value should be made in an area-wide and comprehensive manner, rather than in isolation.

Smart use of space and the built fabric could help us make better use of our limited land resources. This can be achieved through encouraging mixed-use developments to create different forms of “work-live” environments suiting different lifestyles, and promoting re-cycling of land and buildings through conversion. By doing so, we hope to contain unnecessary urban sprawl and limit the extent of encroachment onto the countryside as well as environmentally sensitive areas.
While quality is important, ensuring adequate quantity and timely provision of housing land and supporting infrastructure is still a principal objective. We also need to pay attention to widening housing choices in terms of both type and location. Available opportunities at existing urban areas, including West Kowloon, Kai Tak, Tseung Kwan O and Tung Chung, will be given priority for development. The process of urban redevelopment will continue to renew the old urban fabric that has come of age, but at the same time, we would encourage more rehabilitation and revitalisation which would not only prolong building life and create vivacious neighbourhoods, but help to preserve elements of heritage value. New development areas will also be developed along rail routes to provide a mixture of land uses in a quality living and working environment.

**Direction II – Enhancing Economic Competitiveness**

To enhance economic competitiveness, we will continue to reinforce our hub functions by ensuring adequate land and infrastructure will be available in time. This includes the supply of prime offices at the CBD and at planned nodes outside the CBD. Other forms of employment space will also be provided at business nodes at the urban fringe and special industrial zones in the New Territories. We also need to co-ordinate closely with the Port Development Strategy and Airport Master Plan. As for the tourism sector, we should continue to enhance our tourism infrastructure and make better use of our many resources (including cultural/heritage and natural resources) to diversify our offer, facilitate development of niche markets and alternative tourism such as ecotourism and cultural tourism.

Other than supporting the growth of pillar and growth industries, we also need to take care of small and budding businesses. The revitalisation of degenerated urban and rural areas will revive both the economic and physical conditions of the areas, and could help foster development of small businesses and encourage growth of innovative and creative enterprises, including alternative tourism.

Human capital is a key factor in sustaining our economic competitiveness. As the world advances towards a knowledge-based economy, cities compete intensely for talent and skills. Hong Kong’s ability to attract Mainland and overseas talent and retain local talent is dependent on the variety of development opportunities as well as the anticipated quality of life and the environment. Therefore, our efforts in improving environmental quality are not only meant for the well being of our own people, but could help enhance the business environment and sustain economic growth. In addition, nurturing home-grown
While a lot can be done to strengthen ties with the Mainland, our planning strategy focuses on those aspects related to land use and infrastructure planning.

Maintaining smooth and unimpeded flows of people, vehicles and goods is important to sustain Hong Kong’s growth. As a gateway to China, we should make effective connections to Mainland’s transport network and transportation systems (including land-, water- and air-based), in particular those within the PRD and Pan-PRD regions. In the light of plans to extend the highway and railway networks within these regions and to other parts of China, opportunities should be explored to hook up with their highway system, high-speed passenger rail lines, the PRD Rapid Transit System as well as domestic mass transit railway systems and major transportation nodes to provide direct, convenient and high quality services to enhance both passenger and cargo flows and expand our catchments further into inland China. We should also formulate an overall strategy for the development of transport infrastructure to look after regional development needs and support our economic growth.

Direction III – Strengthening Links with the Mainland

It is evident that the future of Hong Kong relies heavily on how well we can position ourselves to capitalise on the Mainland’s rapid development. With our country’s accession to the WTO, adoption of new policies to support economic growth, as well as our signing of CEPA, there is an unparalleled opportunity for Hong Kong to benefit from the spin-off of the Mainland’s economic growth, through engagement in business activities or active participation in Mainland projects.

talent is equally important. While the key to better education and training may well lie on the “software” side, there is room to strengthen the education infrastructure to support development of local human capital and attract overseas and Mainland students, thereby reinforcing Hong Kong’s role as an education hub of Southeast Asia. Opportunities for providing new education facilities at Kwu Tung North will be explored in a coming study.

Needless to say, leveraging on our links with the Mainland is still our “sure bet” in sustaining competitiveness of our economy. How this is achieved is further elaborated under the third direction.
Developing an efficient land-based rail system could complement our air services, which have a much wider catchment and can better serve the demand of customers who tend to be more time-conscious. It could also help to enhance connection between the Hong Kong International Airport and other airports in the PRD. Concurrently, as China’s springboard to the world, Hong Kong needs to continue to upgrade its international air services network, both within Southeast Asia and with other parts of the world.

To capitalise on the strategic locational advantages of boundary areas, studies are being conducted on the Lok Ma Chau Loop and the Liantang/Heung Yuen Wai Control Point. Another major planning study on the use of land released by the reduction of the Closed Area has also commenced. In addition, opportunities for leisure/recreation venues or tourism spots at Sai Kung/Mirs Bay and islands near our southern boundary could be explored jointly with the relevant Mainland authorities.

The effective exchange of information is conducive to studies on the regional development, which could serve as a basis for our own planning work. The Greater PRD Study, carried out jointly with the Guangdong authorities under the Expert Group on Hong Kong/Guangdong Town Planning and Development, could provide a platform for information exchange. Such efforts should continue to be strengthened. Besides, with Hong Kong’s experience and knowledge in various sectors, especially our international perspective, we are well positioned to share such information with our Mainland counterparts in an effort to support our country’s further advancement. This can be accomplished through various formal or informal channels.
In the context of the evolution of the PRD Region as a multi-centred city-region, Hong Kong needs to recognise the synergy of co-operation and coordination. The Greater PRD Study could address some of the common issues between Hong Kong and the PRD Region with a view to formulating a regional strategy to the overall benefit of the Greater PRD Region, not only in relation to our economic strength, but also the environment and social harmony. We must recognise that as our neighbouring cities make further progress in their development, our differences will become increasingly obscure. From the socio-economic angle, it is not unrealistic to assume that all could become one within the next decade or so. In our planning work, we need to be more anticipatory of the emergence of “one region” and its likely impacts on matters such as migration patterns and re-organisation of economic functions across the region, and in turn the repercussions on our planning strategy.
In order to cater for circumstances other than those assumed under the RS, and to ensure robustness of the proposed planning strategy, alternative scenarios (or “What If” Scenarios) have been considered.

To facilitate more focused consideration, we have narrowed the wide range of possibilities to the two scenarios of “low population growth – moderate economic growth” (LPGS) and “high population growth – high economic growth” (HPGS).

The LPGS describes a situation under which Hong Kong maintains the level of economic growth assumed under the RS. The lack of low-skill employment in Hong Kong, coupled with improved living conditions and lower cost of living across the boundary, may result in the relocation of some of our workers and retirees to the Mainland, giving a slower population growth in Hong Kong. However, we would expect that some of the “emigrants” will commute back to Hong Kong to work, thus widening the difference between the daytime and night-time populations and resulting in a high level of cross-boundary flows. Table 2 summarises the major assumptions adopted under this scenario.

Table 2  Key Assumptions Adopted Under the LPGS

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Under this scenario, the total requirement for housing up to 2030 will reduce by about 170,000 units or (18%) and a slightly lower requirement of land for economic uses due to a lower level of domestic consumption.

The demand for cross-boundary traffic is expected to increase as a result of the 300,000 cross-boundary workers, which will result in 600,000 daily commuting trips, vis-à-vis the assumption of only about 70,000 trips under the RS. Much of this traffic demand is assumed to be met by rail, while the rest would be shared by cross-boundary bus or coach, and to a lesser extent, private cars.

Under the HPGS, we have assumed a GDP growth rate of 0.5% higher than that assumed under the RS for the medium and long terms. More jobs will be created in view of a higher economic growth, resulting in a higher job creation ratio for these periods as compared with the RS. A greater number of imported talent and skilled workers have been assumed to cope with employment demand while the number of cross-boundary workers will be similar to the RS, resulting in a higher resident population. Table 3 summarises the major assumptions adopted under this scenario.

On housing, a total of about 205,000 additional units (or 22%) will be required. The requirement for employment land will also increase by 5.7 million square metres in GFA (or 52%).

Cross-boundary traffic flows will increase because of the intensified level of economic activities between Hong Kong and the Mainland.

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The response mechanism provides guidance on how to adjust the development framework and amend the implementation programme in response to unexpected circumstances as we move ahead, i.e. emergence of the “What If” Scenarios. It defines key parameters and milestones that would trigger the need to consider the alternative plans, i.e. the Response Plans.

We recommend that key working assumptions, e.g. population growth, housing requirement and economic conditions, should be monitored perhaps every two to three years. If the actual trend should incline towards the LPGS or HPGS, consideration would be given to triggering the appropriate Response Plans.

For the LPGS, with a slower population growth, we will need to, depending on the timing of the trigger point, slow down the implementation process or abort the proposed NDA schemes, where circumstances allow.

It is expected that, under the LPGS, implications on various aspects would be less significant compared with the RS. However, we have to be mindful of the financial implications of the LPGS arising from the over-provision of housing and economic land. On the increase in cross-boundary flows, findings of the sensitivity test indicate that the existing and planned cross-boundary infrastructure will be sufficient to handle the additional trips generated from the increase in cross-boundary workers, which have been assumed to be made mostly by rail. While our cross-boundary rail network has the capacity to cope with a large number of daily cross-boundary commuters, under this scenario, we would probably need to continue to manage cross-boundary private-car usage.
For the HPGS, we would expect that with a higher population growth, additional NDAs in the New Territories, including Kam Tin/Au Tau and San Tin/Ngau Tam Mei, with no prejudice on their priority, would need to be considered for implementation. In case that the land proposed for these NDAs has already been taken up by the private sector for low-density developments some time in the future, we would have to conduct another search exercise to identify further NDA opportunities. As for employment uses, further office and business nodes will have to be identified. For special industries, expansion of the Ping Che/Ta Kwu Ling NDA may need to be considered.

Broad-brush assessments were also conducted to examine the environmental and traffic performances of the HPGS vis-à-vis the RS. In terms of environmental quality, since the difference between the population assumptions of the RS and the HPGS is not significant, the impacts on water quality, noise and waste presented above for the RS will be generally applicable to the HPGS. However, the assessment shows a slightly worsened situation in air quality under the HPGS compared with the RS as a result of higher economic growth, expansion of road networks and more marine traffic over both the medium and long terms.

As for traffic impact, under the HPGS, the average travelling speed at the morning peak hour will be lower compared to the RS and the average travelling time will be longer.

Cross-boundary vehicle and passenger trips under the HPGS will also experience a considerable increase. Although the travel demand pattern would be similar to the RS, the extra passenger trips are expected to exert high pressure on the existing and planned cross-boundary infrastructure. As vehicular congestion at Lok Ma Chau and the SWC will be expected in the longer term under a high growth situation, the need for additional cross-boundary infrastructure will become more imminent.

The establishment of “What If” Scenarios and results of the assessments illustrate that an effective response mechanism may allow us to slide smoothly into alternative strategies corresponding to growth trends which we do not anticipate at this stage. The alternative strategy under the LPGS should not cause major impact on the infrastructure and the environment, although we would have to reassess the need for additional transport infrastructure under the HPGS and to devise further measures in addressing air quality issues. However, we should also be aware of the complexity of circumstances and the fact that the future will unlikely unfold precisely as we anticipate at this moment. The importance of regular reviews and monitoring cannot be further emphasised.
The completion of the HK2030 Study only marks the first milestone of an extended planning process. The recommended planning strategy provides broad directions and concepts, which need to be followed up by further topical studies and eventually translated into relevant district plans, planning guidelines and development programmes as appropriate. Further feasibility studies and environmental assessments are required to look into the suitability, feasibility, environmental impact and mitigation measures for the developments in detail at a later stage. While some of the recommended measures under the strategy are already being looked after, we need to ensure that the rest of the recommendations will be progressively taken up through close coordination and tight monitoring.

As an immediate task, we recommend that Government should embark on a planning and engineering review study on the proposed Three-in-One NDA Scheme to formulate development proposals to cater for the latest planning circumstances, community aspirations and development needs and to carry out relevant engineering investigations. A similar study for the Hung Shui Kiu NDA will also need to be carried out at a later stage.

Other major planning studies, such as the ones on the Greater PRD Study and the Liantang/Heung Yuen Wai Control Point, are already in full steam. The study on the use of land which formerly falls within the Closed Area, together with a strategic environmental assessment, has commenced. We are also monitoring progress of relevant studies on the port and airport developments.

As regards topical studies, we would recommend that more local-area schemes, both in the urban and rural areas, be identified. Improvements to the physical environment could help revive the local economy, bring in businesses and jobs, and nurture growth of innovative and creative industries. Besides, we have also advocated the importance of a “cellular” or “bottom-up” approach in fostering a sense of place and sense of identity among the community.

A Planning Framework as the Connector

The HK2030 Study, transcended from past territorial planning studies, adopted an approach different from the previous studies. It forms an important part of Government’s collaborative effort to achieve our vision as Asia’s world city. Towards this vision, the HK2030 Study aims to provide a spatial planning framework to guide development and the provision of major infrastructure in
the next 20 to 30 years. Realisation of our vision, however, relies also on strategies formulated under other policy areas. They must be consistent with each other and the HK2030 Study provides a spatial framework integrating all relevant elements.

A New Approach in Planning

The HK2030 Study is a process of public engagement providing the context (especially a long and wide perspective) to facilitate informed, and therefore meaningful, public debates on many of the important issues that would affect future development of Hong Kong. The output is not merely the plan, but a renewed way of thinking and attitude towards development – a paradigm shift in planning – which calls for a more far-sighted approach.

Our strategy highlights the preference for optimising available development opportunities and being prudent on opening up greenfield land for development. The theme is to leverage on the existing urban infrastructure, concentrate on the re-use and re-cycling of the old urban fabric and to do more with less.

We hope to re-shape the conventional wisdom of having a “grandiose plan” to an emphasis on “sustainable growth”. This is in line with the world trend towards sustainable development, a concept we heartily embrace. Above all, Hong Kong has a role to help our country in her quest to match up with the world development and in setting an example to other cities in the Mainland. Therefore, we must demonstrate that we have the determination, and the plan, to become an example of a highly sustainable city.

Continuous Monitoring

We do recognise that circumstances will change over time, and so will community needs and aspirations. The HK2030 Study, as noted earlier, is not meant to set out a detailed blueprint for Hong Kong’s future development, but to provide a robust strategy that can cater for changes. Other than monitoring macro trends, we must also maintain regular dialogues with the public on major planning issues to ensure that this will be a living strategy, constantly being enriched by the intellect and enthusiasm of our people.
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Annex I — List of “No-Go” Areas

(A) Ecological and Other Natural Resources

(i) Ramsar Site
- Include 1,500 hectares of mudflats, fish ponds, marshes and dwarf mangroves at the Mai Po Marshes and Inner Deep Bay area
- Listed as “Wetland of International Importance” under the Ramsar Convention
- Allow no development unless it is required to support the conservation of the wetland ecosystem in the area

(ii) Wetland Conservation Area (WCA) and Wetland Buffer Area (WBA)
- Associated with the Mai Po Marshes and Inner Deep Bay
- Require planning permission for development within the WCA and WBA areas to avoid irreversible damage to the habitats

(iii) Restricted Areas
- Include the important wildlife habitats at Mai Po Marshes and Inner Deep Bay, Yim Tso Ha Egretry, and the sandy beach at Sham Wan, Lamma Island
- Designated under the Wild Animals Protection Ordinance
- Access to these areas is restricted

(iv) Sites of Special Scientific Interest (SSSIs)
- Include land-based or marine sites for the protection of biological, geographical, geological or physiographic interests
- Allow no development except some amendable uses such as agricultural use, amenity area and field study centre etc. which require planning permission

(v) Sites Zoned “Coastal Protection Area” and “Conservation Area” on Outline Zoning Plans
- The “Coastal Protection Area” zone is intended to conserve, protect and retain the natural coastlines and the sensitive coastal natural environment, including attractive geological features, physical landform or area of high landscape, scenic or ecological value, with a minimum of built development. May also cover areas which serve as natural protection areas sheltering nearby developments against the effects of coastal erosion
- The “Conservation Area” zone is intended to protect and retain the existing natural landscape, ecological or topographical features of the area for conservation, educational and research purposes and to separate sensitive natural environment such as Site of Special Scientific Interest or Country Park from the adverse effects of development
- General presumption against development in these zones – in general, only developments needed to support the conservation of the existing natural landscape or scenic quality of the area or are essential infrastructure projects with overriding public interest may be permitted

(vi) Country Parks and Special Areas
- Cover a total area of around 41,600 hectares comprising 23 Country Parks and 17 Special Areas
- Amount to 38% of the total area of Hong Kong
- Designated under the Country Parks Ordinance for the purposes of nature conservation and protection of important biological or archaeological features
- Allow no development without the consent of the Country and Marine Parks Authority

(vii) Marine Parks and Marine Reserves
- Cover a total area of around 2,430 hectares comprising four Marine Parks and one Marine Reserve
- Designated under the Marine Parks Ordinance for the purposes of nature conservation and marine recreation
- Control the activities and development in the designated areas
- Allow no development without the consent of the Country and Marine Parks Authority

A “no-go” area is defined as an area which will not be considered as a source of supply in meeting the land requirement of various strategic uses under the HK2030 Study.
### Annex I — List of “No-Go” Areas (Cont’d)

#### (viii) Victoria Harbour
- Concern on the loss of water area as a valuable natural assets and impacts on the hydraulic and water quality
- Preserved as a special public asset and a natural heritage under the Protection of Harbour Ordinance and the Vision Statement promulgated by the Town Planning Board
- According to the judgement handed down by the Court of Final Appeal on 9 January 2004 on the Town Planning Board’s appeal against the High Court’s ruling in respect of the Wan Chai North Outline Zoning Plan, the presumption against reclamation can only be rebutted by establishing an **overriding public need** for reclamation

#### (ix) Other Unprotected or Unidentified Resources
- The Environmental Impact Assessment Ordinance provides the protection to areas with ecological value yet to be identified if they are affected by development projects or land use plans

### (B) Heritage

#### (i) Declared Monuments
- Disallow demolition, defacement and disturbance to the declared monuments designated under the Antiquities and Monuments Ordinance without the permission from the Antiquities Authority
- Allow adaptive use which will not cause detriment to their conditions and protected values

#### (ii) Other Archaeological Sites
- Include ancient architecture, kilns, hearths, rock carvings, farm lands, refuse mounds and footprints of ancient human beings
- Some receive statutory protection under the Antiquities and Monuments Ordinance
- Protect remaining archaeological sites by means of administrative action through prior consultation with the Antiquities and Monuments Office (AMO)

#### (iii) Other Historical and Cultural Sites
- Assign grading of I, II or III to the sites according to their relative historical interests
- Protect the sites by means of administrative actions through prior consultation with the AMO

#### (iv) Recognised Indigenous Villages, Fung Shui Areas and Traditional Burial Grounds
- Preserved against large-scale or high-density development in respect of the customary rights and interests of the indigenous inhabitants

### (C) Water Supplies
- Protect Gathering Grounds (including direct and indirect) and reservoirs to ensure availability of local source of fresh water
- Only accept environmentally sustainable developments within the Gathering Grounds that will not cause pollution to the water resources

### (D) Safety

#### (i) Geotechnical
- Include geotechnical constraints such as geological faults, terrain/slope stability and seabed conditions
- Need to control landslide risk to the community

#### (ii) Potentially Hazardous Installations (PHI)
- Include installation which stores hazardous materials in quantities exceeding a specified threshold
- Siting of the installations and land uses in the vicinity are controlled

### (E) Military Sites
- All sites listed in Schedule 1 of the Military Installations Closed Area Order (Cap. 245B)

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6 For each PHI, a Consultation Zone is delineated and development controls are implemented as stipulated in Chapter 12 of the Hong Kong Planning Standards and Guidelines.
Annex II — Broad Assessments of Available Choices for Different Land Uses

### Housing

#### (A) Optimisation of Existing Development Areas

##### (i) Redevelopment

- Market-led, low cost to government and involve the least intervention
- Opportunities reduced as tenement blocks deplete
- Marginal gain in floor area affects viability, and therefore incentive for redevelopment
- Usually small-scale – less opportunity for comprehensive replanning

##### (ii) Relaxation of Plot Ratio

- Enhance viability of projects
- Reduce need to deploy new land for development
- Depend on infrastructure capacity and adequacy of community facilities

##### (iii) Rezoning and Infilling

- Reduce need to deploy new land for development
- Primarily involve Industrial zones as a result of economic restructuring, as well as sites of obsolete Government, Institution or Community facilities
- Depend on infrastructure capacity and, where applicable, resolution of residential/industrial interface problem
- Market-driven process preferred over Government-initiated resumption

#### (B) Identifying New Supply

##### (i) Kai Tak

- Kai Tak Review recently completed
- Assume a medium density for residential developments given its harbour-front location
- Also include a mixture of other land uses, including cruise terminal and multipurpose sports stadium
- Further detailed environmental and engineering feasibility studies needed

##### (ii) Northern New Territories

- A number of New Development Areas have been identified in previous studies
- Allow comprehensive/cohesive planning
- Involve extensive land resumption and engineering works – long development lead time
- Further detailed environmental assessments and studies needed

##### (iii) Other Parts of Rural New Territories

- Difficult to identify large pieces of flat land for development without extensive engineering works
- May conflict with areas of significant ecological and landscape values

##### (iv) Reclamation

- Government committed that there would be no new reclamation planned in Victoria Harbour
- Reclamation outside central harbour should also be avoided as far as possible but could be considered given sufficient justifications
## Central Business District (CBD) Grade A Offices

### (A) Consolidation of existing Central Business District
- Achieve agglomeration economies which are essential for office uses located in the CBD
- Take the form of in-fill developments, including the remaining portions of existing reclamation (e.g. West Kowloon) and vacated Government uses
- Need to resolve issues such as urban design, traffic impacts and re-provisioning of existing uses

### (B) Promoting Decentralisation
- May not be able to totally replace the functions of the existing CBD
- Need to achieve a critical mass and provide territorial transport network in order to create a new office node
- Opportunity includes the former Kai Tak Airport where a new office node is planned

## General Business

### (A) Redevelopment
- Primarily supply through the unrealised development potential arising from the redevelopment of existing industrial areas
- A lesser scale of decentralisation of employment opportunities, but jobs are still not brought close enough to places of residence in the New Territories

### (B) New Business Zones in NDAs
- Difficult to encourage businesses to decentralise to the New Territories
- Difficult to assemble a critical mass

### (C) The Closed Area
- Need to resolve a number of development constraints, e.g. hilly terrain, lack of infrastructure, sites of ecological and conservation values, traditional villages and burial grounds, contaminated mud
- Strategic environmental study needed to examine environmental constraints and identify areas where development should be avoided
- Three locations, i.e. Lok Ma Chau Loop, Kong Nga Po and Heung Yuen Wai, have been initially identified as having potential for special uses that warrant a boundary location
Annex III — Development Options for Stage 3 Public Consultation (Consolidation Option)
Annex III (Cont’d) — Development Options for Stage 3 Public Consultation (Decentralisation Option)
Annex V — Evaluation Framework

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Preferred State</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental</strong></td>
<td></td>
</tr>
<tr>
<td>(a) To enhance environmental quality and conserve natural and heritage resources</td>
<td></td>
</tr>
<tr>
<td>• Air pollutant emissions</td>
<td>Lower</td>
</tr>
<tr>
<td>• Exposure to roadside air pollution</td>
<td>Lower</td>
</tr>
<tr>
<td>• Noise exposure</td>
<td>Lower</td>
</tr>
<tr>
<td>• Exposure to potentially hazardous installations (PHIs)</td>
<td>Lower</td>
</tr>
<tr>
<td>• Impacts on the quality of fresh and marine waters</td>
<td>Lower</td>
</tr>
<tr>
<td>• Impacts on areas with ecological values</td>
<td>Lower</td>
</tr>
<tr>
<td>• Impacts on areas with heritage values</td>
<td>Lower</td>
</tr>
<tr>
<td>• Impacts on areas with landscape values</td>
<td>Lower</td>
</tr>
<tr>
<td>• Use of greenfield sites and reclaimed land</td>
<td>Lower</td>
</tr>
<tr>
<td>• Production of construction and demolition materials</td>
<td>Lower</td>
</tr>
<tr>
<td><strong>Economic/Financial</strong></td>
<td></td>
</tr>
<tr>
<td>(b) To enhance Hong Kong’s potential for economic growth and ensure efficient use of resources</td>
<td></td>
</tr>
<tr>
<td>• Gross domestic product</td>
<td>Higher</td>
</tr>
<tr>
<td>• Diversity in economic activities</td>
<td>Higher</td>
</tr>
<tr>
<td>• Benefit-to-cost</td>
<td>Higher</td>
</tr>
<tr>
<td>• Provision of land for economic activities</td>
<td>Higher</td>
</tr>
<tr>
<td><strong>Land Use Planning</strong></td>
<td></td>
</tr>
<tr>
<td>(c) To ensure an optimised land use pattern which can meet various land requirements</td>
<td></td>
</tr>
<tr>
<td>• Provision of land to meet housing and various development needs</td>
<td>Balanced</td>
</tr>
<tr>
<td>• Provision of infrastructure facilities to meet various development needs</td>
<td>Balanced</td>
</tr>
<tr>
<td>• Distribution of employment and housing land</td>
<td>Balanced</td>
</tr>
<tr>
<td>• Segregation of incompatible land uses</td>
<td>Higher</td>
</tr>
<tr>
<td>• Socio-economic linkage with the Mainland</td>
<td>Higher</td>
</tr>
<tr>
<td><strong>Social</strong></td>
<td></td>
</tr>
<tr>
<td>(d) To ensure access to major facilities and to foster community bonds</td>
<td></td>
</tr>
<tr>
<td>• Population density</td>
<td>Optimised</td>
</tr>
<tr>
<td>• Employment opportunities</td>
<td>Higher</td>
</tr>
<tr>
<td>• Mix of land uses at the community level</td>
<td>Higher</td>
</tr>
<tr>
<td>• Provision of employment opportunities close to home</td>
<td>Higher</td>
</tr>
<tr>
<td>• Number of persons affected by urban renewal and clearance</td>
<td>Lower</td>
</tr>
<tr>
<td><strong>Transport</strong></td>
<td></td>
</tr>
<tr>
<td>(e) To ensure a safe, reliable, efficient, economically viable and environmentally friendly transport system to enhance mobility within Hong Kong and across the boundary</td>
<td></td>
</tr>
<tr>
<td>• Travel distance and time</td>
<td>Lower</td>
</tr>
<tr>
<td>• Requirement for new transport infrastructure</td>
<td>Lower</td>
</tr>
<tr>
<td>• Usage of public transport services</td>
<td>Higher</td>
</tr>
<tr>
<td>• Reliance on walking and cycling for short distance travel</td>
<td>Higher</td>
</tr>
</tbody>
</table>
Annex VI — Recommended Development Pattern
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Airport Authority Hong Kong

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Lands Department

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