

Ms Bernadette Linn Hon Ho, JP
Secretary for Development
Development Bureau
18/F, West Wing, Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

4 May 2023

Dear Secretary Linn,

The Policy Address given by the Chief Executive on the 19 October 2022 outlined Land and Housing as the Top Priority¹ for the new Administration, in which breakthroughs in housing supply and solutions to address the long-term problem of housing strategies are vital. In this submission, the British Chamber of Commerce in Hong Kong ("the Chamber" or "BCCHK") would like to focus on the increasing pressure to provide more housing in Hong Kong, as we identified in our previous submission to the public engagement of Hong Kong Government's 2030+ planning proposals in 2017 [[here](#)] and the Land Supply Task Force in 2018 [[here](#)], and to consider a very wide range of measures to tackle the shortfall in developable land.

We particularly welcome Government's plans for the expeditious development of the Northern Metropolis and for careful consideration of the opportunities presented by reclamation. Although the Chamber has yet to see a compelling case for the Kau Yi Chau Artificial Islands (KYCAI) development, we hope that the Development Bureau will provide more information as part of the Bureau's forthcoming engagement strategy.

Based on the information currently available, the Chamber is not in favour of taking land from country parks or conducting significant reclamation in Victoria Harbour. Hong Kong has large areas of brownfield or other under-utilised land. We understand there may be a view within the Government that reclamation processes may be clearer, more direct and less complicated to make available 'spade ready' new land supply, it is important not to ignore the 100's of hectares of brownfield land available for conversion and restitution. Whilst we appreciate the complexity of assembling adequately serviced brownfield land, the Chamber feels that this should be given priority over reclamation and taking land from country parks, for example.

We note that in the New Development Areas (NDAs) in the Northern New Territories, land exchanges and resumptions (albeit on a smaller scale than is necessary) are beginning to take place but with the very many different Government departments involved, each with their own complex and individual procedures. They may slow things down significantly. As the Chamber has previously suggested in our 2030+ submission, we recommended the establishment of a unitary development authority (for example, as with the former Docklands in London, in the UK) to facilitate the assembly of new developable land at scale in the Northern New Territories from agricultural or brownfield land. The Chamber notes the constructive interface between the Development Bureau and the Institute of Surveyors on policy development and implementation arrangements. We would, however, suggest that Business Chambers such as our Chamber could offer some additional insight on financing models such as public-private-partnership (PPP). Our recent submission refers [here](#).

We were pleased to note the good initial progress by the Government in providing more housing, with arrangements to bring forward temporary housing and develop a greater pipeline of new development for public housing in particular. We would be keen to see the Government move forward faster on the

¹ 2022 Policy Address page 28.

existing land supply pipeline and use existing land parcels more effectively and efficiently. The Chamber's members, based in many areas across Hong Kong, have expressed concerns on the wide range of empty and underused buildings in Hong Kong, such as former schools and older industrial facilities, which should be brought back into temporary use. Some of our members have also called for a rapid re-use of some of the former quarantine facilities to offer temporary housing.

The Chamber has a number of broader issues to raise and hope that measures can be devised to make sure public resources be properly used and allocated. Hong Kong's population forecasts from the Government have consistently been overestimated, and therefore, the Chamber is of the view that it is better to provide a clearer focus on the clear segments for which additional housing will be made available. If it is a clear focus on the more disadvantaged, it is to be very welcomed. Yet if for younger people not being able to get on the housing ladder, there should also be a reassessment of the HOS Scheme eligibility or Co-ownership loans etc. Reassessment of such schemes will also tackle the issue where public housing often is occupied by the relatively wealthy. Additionally, specialist housing for I&T and R&D professionals and young entrepreneurs, co-located with working facilities in the Northern Metropolis is also recommended.

Whilst housing should form a short-term immediate focus, land also needs to be made available for non-residential facilities. The Chamber notes the work anticipated in the Northern Metropolis and the 3rd CBD proposal in the KYCAI reclamation project to provide this but greater transparency on what is planned by when, where, for each key sector of the economy is suggested.

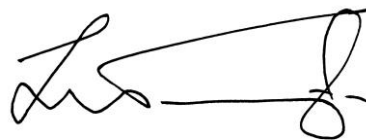
Last, but not least, the Chamber believes there should be additional resources applied to the Urban Renewal Authority (URA) to significantly increase the speed and scale of urban regeneration. Resources (both financial and human) are stretched and we would strongly recommend the early addition of private business resources at scale through PPP.

We very much appreciated our meeting in 2022 to talk about the different issues and to learn about your Bureau's future plans. The Chamber is very pleased with the good progress to-date, and we would welcome more frequent dialogue with your colleagues or yourself to see how we can devise even more concrete proposals for better execution to ensure projects are delivered efficiently. As we previously mentioned, it would be our pleasure to invite you to share with our members behind closed doors to further explore these issues. Please let me know whether that will be feasible and we will work to find a convenient date and time.

Yours sincerely,



Ir Dr Anne Kerr
Chair, BCCHK



Mr Jim Taylor
Chair of Business Policy Unit, BCCHK

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