HKGCC

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18 March 2025

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

Dear Bernadette,

Re: Development Proposals for New Territories North (NTN) New Town and Ma Tso Lung (MTL)

HKGCC welcomes the opportunity to comment on proposals for the NTN New Town and MTL areas located within the Boundary Commerce and Industry Zone, as presented to the Legislative Council's Panel on Development on 24 January 2025.[1]

As an overall comment, the proposals are in a summarised form, and we may have further comments to those that we make below, as more details of the proposals emerge. Our comments and questions at this stage are as follows:

Broad Land Allocation and Planning:

1. As a general point, although the proposals provide an overview of what the plans are, we are not clear as to the underlying rationale for them, for example as to the proportions of land allocated respectively for industrial, residential and educational or cultural purposes. We would welcome further clarification on the rationale for the proposals. It is also recommended that the Government clarifies the priority target industry clusters and key enterprises to be introduced within both areas, and implement them so far as possible to serve as a good demonstration effect. The development plan for NTN New Town should also adopt a forward-looking approach. Considering its proximity to Shenzhen and the potential for cross-border commuting, the design should account for the impacts of such scenarios.

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[1] devcb1-1741-1-e.pdf

2. The proposals state that the NTN New Town is to be implemented in phases over about 20 years. They give an indication of what the initial development phase will comprise (fostering emerging industries etc). Has any consideration been given as to the nature and number of the subsequent phases? If so, we would welcome further information on these subsequent phases.

3. Whilst the development of Boundary Control Point (BCP) Business Districts around Heung Yuen Wai and Man Kam to boost the gateway economy in NTN New Town is a sound objective, this will be the first time in many decades that a gateway economy within Hong Kong territory is established. Is there a strategic plan for sustaining the commercial viability of the range of business, financial, professional, leisure, and retail services proposed in the BCP (approximately 225 ha)?

4. A very large area in the proposals has been allocated for industrial use – i.e. approximately 210 ha of land has been reserved for various industries (including modern logistics, food-related uses, green industry, advanced construction, and advanced manufacturing) in NTN New Town.

   4.1. Have there been detailed assessments conducted on the prospective demand for industrial space of this amount, and what plans does the Government have to attract businesses to these areas? For example, from an industrial user's perspective, will the industrial areas in NTN New Town be less attractive than those in Hung Shui Kui, Lau Fau Shan, Yuen Long, and San Tin Technopole, where their industry positioning is clearer?

   4.2. What kinds of buildings are envisaged to accommodate these businesses, for example high-rise buildings or 'flat' factories?

5. What is the envisaged level of employment in these areas, and where would the employees come from? For example, is it envisaged that employees will travel from the Mainland to work in these areas?

6. MTL is planned as a new residential community, providing private housing to meet the accommodation and daily needs of the I&T talents of the Loop. Due to its proximity to the Kwu Tung North (KTN) New Development Area, MTL might be better planned and developed as an extension of the KTN NDA instead. The private housing element (9,800 to 10,700 flats) in MTL will help create a more balanced public/private housing ratio in KTN NDA, which is currently planned as 62:38.

7. We suggest that comprehensive research is also conducted to understand the specific needs and business interests of local and overseas companies which the Government intends to attract to the region, and so that development opportunities and supporting facilities can be tailored specifically to their needs.

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Financing:

8. Investment costs for the provision of the new infrastructure and properties in these areas are likely to be very substantial. Given Hong Kong's present economic climate, innovative financing options with a result-oriented approach may be considered by the Government to alleviate its present financial pressures. The establishment of tailored public-private partnerships, which capitalises on the potential of local and regional industry stakeholders, is also recommended as the way forward.

9. Several hubs are being developed simultaneously across the Northern Metropolis. Given the current economic conditions and the Government's financial position, would there be more detailed plans to prioritize the development phasing of these hubs?

Infrastructural Support and Sustainability:

10. Whether the employees are local or from the Greater Bay Area (or a combination of both), efficient and affordable transport services, as well as adequate and robust road and rail infrastructure, will be critical in attracting them to work there.

11. We would welcome further information on what provision is being made for waste disposal in these areas.

Housing and Quality of Life:

12. The proposals refer to "private housing". Affordability is a major problem for Hong Kong households, and for young people in particular. How will affordability issues be addressed?

13. What kind of buildings are envisaged for housing, for example high-rise or low-rise; or high-density or low-density developments? Would there be more specific parameters or requirements on flat size (e.g. minimum or average flat size)?

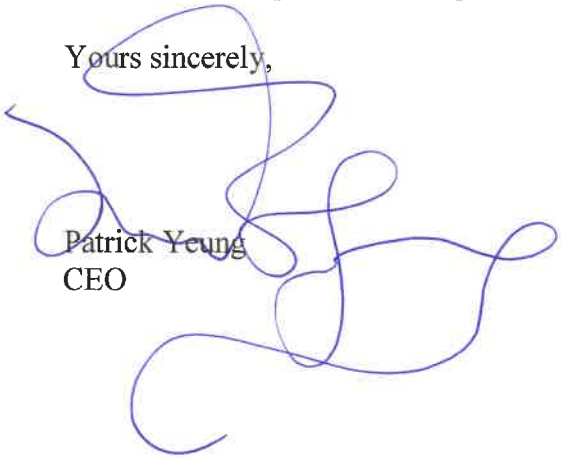
14. As well as affordability, "liveability" issues will be crucial in attracting people to re-locate to these areas. We suggest that consideration be given to substantial pedestrianisation of these areas, together with carefully-planned cycle tracks and routes to reduce the amount of vehicle traffic, and provision of facilities to park and store bicycles, scooters, etc. Facilities for electric vehicles should also be made available.

15. NTN New Town is projected to provide up to 176,000 flats, whereas MTL up to 10,700 flats. We would appreciate more clarity on the basis of this projection. For example, is the anticipated demand driven by households relocating from current urban areas, or by new residents moving into Hong Kong from outside?

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We hope that you will find the above comments helpful, and look forward to having further opportunities to provide our input as further details of the proposals emerge.

Yours sincerely,



Patrick Yeung
CEO