

# Arrangements promulgated for land exchange for Remaining Phase of Kwu Tung North and Fanling North New Development Areas

The Lands Department (LandsD) announced today (February 16) the arrangements for applications for lease modification including in-situ land exchange (hereinafter generally referred as "land exchange") for development of land falling within the remaining phase of Kwu Tung North and Fanling North New Development Areas (NDAs). Interested parties may refer to the LandsD Practice Note No. 1/2022 which is available on the department's website ([www.landsd.gov.hk](http://www.landsd.gov.hk)) regarding the application requirements.

A Practice Note was issued in February 2014 (Practice Note No. 1/2014 as varied and supplemented by Practice Notes Nos. 1/2014A and 1/2014D) to set out the application requirements for land exchange for sites planned for private developments within the NDAs, giving priority to land exchange applications within Phase 1 development of the NDAs. Two applications in Phase 1 development were subsequently approved, with construction in progress.

The Government plans to initiate the procedures to proceed with resumption of land within the remaining phase of the NDAs around mid-2023. With this in mind, the LandsD issued Practice Note No. 1/2022 today, specifying that the deadline for receiving applications in respect of sites in remaining phase of the NDAs will be August 15 this year; and that the deadline for acceptance of binding basic terms offer (with premium) will be June 30, 2023. In case any applications received cannot be concluded within this specified deadline, the Government will proceed to initiate the procedures of land resumption in taking forward the development in order not to delay the overall works programme.

The Practice Note also provides the following updated information and requirements:

- Two updated reference plans showing the sites open for land exchange applications in the remaining phase of the NDAs.
- With the "people-oriented" philosophy and under a flexible arrangement, the Government has indicated earlier that it would allow eligible households affected by clearance in the remaining phase of the NDAs to voluntarily apply for early surrender of and departure from their squatter structures, and to make early application for the ex-gratia compensation and rehousing. Applicants who succeed in their land

exchange applications are therefore required to reimburse to the Government the compensation paid and/or the cash value of the rehousing element, in case eligible occupants occupying the lots to which their land exchange applications relate have opted for and accepted the Government's compensation and rehousing arrangement.

- There is a prevailing requirement for land exchange applicants to provide eligible clearerees with compensation or rehousing comparable to one that would be offered by the Government for its development clearance exercises, and to submit an undertaking to the Government where necessary. To better safeguard the performance of this requirement, land exchange applicants may be required to make a deposit with the Government before execution of the land exchange.

Prior to the issue of this Practice Note, the LandsD has been receiving land exchange applications within the remaining phase of the NDAs. The department also announced today that so far a total of six out of 13 such land exchange applications received have been accepted for further processing. This means the six applications are regarded as having fulfilled the planning criteria promulgated by the Government after due consideration by an inter-departmental panel chaired by the Development Bureau and will be taken forward to the next stage of processing involving finalisation of the lease provisions and premium assessment (with the option of standard rates with details due for announcement by the end of March this year). The relevant information of the six applications, which together involve an estimated supply of some 6 000 private housing units, has been published at the LandsD's [website](#). These applications, together with those to be received before the deadline of the application period, will be processed in accordance with the updated Practice Note. As and when other applications are accepted for further processing, the information will be published accordingly.

Under the Enhanced Conventional New Town Approach, the Government will resume and clear all private land planned for developments, and carry out site formation works and provide infrastructure before allocating the land for various purposes including disposal of land for private developments. Prior to land resumption, the Government may allow in-situ land exchange applications from private land owners of sites earmarked for private developments, subject to their meeting of the criteria and conditions as specified by the Government.