

# LCQ1: Developing the Northern Metropolis

Following is a question by Dr the Hon Lo Wai-kwok and a reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (December 6):

Question:

According to the Northern Metropolis Action Agenda recently published by the Government, an "industry-driven and infrastructure-led" approach will be adopted as the key axle for the planning of the Northern Metropolis, and the Northern Metropolis will be divided into four major zones. In this connection, will the Government inform this Council:

(1) as it has been reported that the development of the Northern Metropolis spans 20 years, whether the authorities will expedite the formulation of detailed development proposals, review the amounts of investment in the relevant public works, prepare a list of works according to the works scale (i.e. large, medium and small-scale works), as well as set the order of implementing the works according to their importance and urgency and make planning for manpower resources in advance, so as to prevent drastic rises and falls in the volume of works; if so, of the details; if not, the reasons for that;

(2) whether it will, on the premise of ensuring that the Government firmly assumes its leading role in the development of the Northern Metropolis, assess the merits and demerits of different financing arrangements, so as to expeditiously formulate clear financial arrangements; if so, of the details; if not, the reasons for that; and

(3) whether, in order to strengthen the Northern Metropolis' functions of developing industries as well as attracting enterprises and investments to be served by its four major zones, the authorities will actively attract professional talents in industry and commerce from the Mainland and overseas to assist in formulating practicable policy initiatives and strengthen the authorities' coordination and execution capabilities; if so, of the details; if not, the reasons for that?

Reply:

President,

The Northern Metropolis is a new engine for Hong Kong's future growth, adopting an "industry-driven and infrastructure-led" approach as its key planning axle as mentioned by Member. The Government published the Northern Metropolis Action Agenda on October 30, 2023 to clearly outline the development blueprint of the Northern Metropolis, including the development themes, industry positioning, major facilities, industry-driven planning and

development timetable, of the four major zones therein.

Having consulted relevant departments, my respective replies to the various parts of the question raised by Dr the Hon Lo are as follow:

(1) There are three New Development Areas, namely Kwu Tung North and Fanling North, Hung Shui Kiu and Ha Tsuen and Yuen Long South, under construction within the Northern Metropolis. Other major development areas are currently under the planning study stage, among which the land use proposal for San Tin Technopole was released earlier this year. As for the remaining major development areas, i.e. the Lau Fau Shan, Tsim Bei Tsui and Pak Nai areas, New Territories North New Town, Ngau Tam Mei and Ma Tso Lung, their land use proposals will be released within next year progressively. After public engagement, the Government will conduct detailed design of the works, arrange phasing for implementation and make estimations on the expenditure based on the confirmed land use planning as soon as possible. When formulating the works schedules and phasing arrangements, the Government will fully consider such factors as the project priority, financing arrangements, implications on public finance and the manpower capacity of the market, etc.

On the other hand, the Government and the Construction Industry Council will continue to disseminate to the industry regularly relevant information on the estimated total construction output for the next 10 years and maintain close contact with industry stakeholders regarding the supply and demand of manpower. The Government will continue to adopt a multi-pronged approach, including making good use of the Labour Importation Scheme for the Construction Sector launched in July this year, strengthening manpower training and employment support, and adopting advanced technology and innovative construction techniques to facilitate uplifting the productivity and capacity of the construction industry.

(2) The development of the Northern Metropolis is an important investment for promoting our long-term and sustainable development. It can release land value and foster industry development, generating enormous economic benefits and revenue for us, thereby enhancing our competitiveness and improving our quality of life. We have always emphasised that the Government takes the lead in planning and implementation of the development of the Northern Metropolis, while the Government also welcomes the active participation of the market. For comprehensive preparation, it was announced in the Policy Address this year that the Committee on the Financing of Major Development Projects (Financing Committee) led by the Financial Secretary and the Office for the Financing of Major Development Projects would be established to evaluate feasible investment and financing options for major development projects including the Northern Metropolis and Kau Yi Chau Artificial Islands, etc, assess the feasibility of bringing in private investors for these projects, and examine the impact of the major development projects on government finance to ensure the Government's fiscal sustainability. The Financing Committee held its first meeting last week.

(3) Apart from formulating appropriate land use planning, an array of support covering industry-specific policies, facilitation measures, and initiatives to attract enterprises and investment are also required to take forward the

development of industries. Thus, the promotion of the Northern Metropolis development is a collaborative endeavour across bureaux and departments. The Steering Committee on the Northern Metropolis led by the Chief Executive provides high-level policy steer and supervision for the Northern Metropolis development. Various bureaux actively participate in the relevant industries development and are working closely and forging ahead. The Northern Metropolis Co-ordination Office (NMC0) under the Development Bureau (DEVB) is responsible for overall co-ordination. Using San Tin Technopole as an example, following the announcement by the DEVB earlier on the planning proposal for the new land for innovation and technology (I&T) uses, the Innovation, Technology and Industry Bureau is conducting a consultancy study on these lands, with a view to providing recommendations for different land parcels on the development of specific I&T uses in the I&T value chain, requisite supporting facilities, land disposal and operation modes, etc.

Furthermore, the Government has set up specific departments responsible for attracting businesses and investment, mainly the Office for Attracting Strategic Enterprises (OASES) and Invest Hong Kong. After its establishment in December 2022, the OASES actively reaches out to high-potential and representative strategic enterprises. The OASES has met with over 200 strategic enterprises, among which 30 of them involving different I&T aspects have landed/will land or expand in Hong Kong. Also, Invest Hong Kong provides one-stop support for all other overseas and Mainland enterprises interested in setting up or expanding their operations in Hong Kong. External recruitments for the directorate posts of these two departments have either been conducted or are under planning to bring talents from the industries on board. The recruitment and deployment of other staff in the teams will also be based on job requirements and the candidates would be requested to have the relevant work experiences. The NMC0 will continue to work closely with other relevant bureaux and departments in taking forward the industry developments in the area.