

LCQ16: Development of logistics facilities

Following is a question by the Hon Frankie Yick and a written reply by the Secretary for Transport and Logistics, Mr Lam Sai-hung, in the Legislative Council today (November 20):

Question:

In the Action Plan on Modern Logistics Development published last year, the Government proposed that four logistics sites with development potential would be released by 2027 for industry to develop modern and high-end multi-storey logistics facilities. In this connection, will the Government inform this Council:

(1) of the following information on the above four sites: location, size, the expected timetable of release, and the floor area to be provided upon completion of the relevant logistics facilities;

(2) of (i) the quantity and value of high-value goods handled by Hong Kong's logistics industry as well as their respective percentages in total cargo volume and total goods value, and (ii) the number of logistics practitioners handling such goods and its percentage in the total number of logistics practitioners, in each of the past three years, together with a breakdown by type of goods; and

(3) as there are views that while Hong Kong, as a logistics hub, is actively promoting the development of high-end and high value-added logistics services (including the construction of modern and high-end multi-storey logistics facilities) to handle high-value goods, it should also give due attention to non-high-value goods so as to strike a balance between the two, whether the Government has measures on land supply in place to support the development of logistics for non-high-value goods?

Reply:

President,

Having consulted the Development Bureau, our reply to the Hon Frankie Yick's question is as follows:

With Hong Kong's premier geographical location, extensive aviation and maritime network, world-class airport and port infrastructure, comprehensive multimodal cargo transport network, favourable business environment and financial and legal systems that align with international standards, Hong Kong has all along been an important regional logistics hub in Asia and a crucial gateway for trade between the Mainland and the rest of the world. Our country also staunchly supports Hong Kong's logistics development. The Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives

Through the Year 2035 clearly supports Hong Kong in enhancing its role as an international maritime centre and international aviation hub, as well as the development of Hong Kong's services sector towards the high-end and high value-addedness. The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area also clearly states that Hong Kong's advantages as an international maritime centre should be leveraged to drive the formation of a world-class port cluster and an international maritime and logistics centre with other cities in the Greater Bay Area so as to strengthen the area's overall international competitiveness. The Hong Kong Special Administrative Region Government therefore has been actively fostering the development of Hong Kong's logistics industry and promulgated the Action Plan on Modern Logistics Development (Action Plan) last year, which put forward eight strategies and 24 action measures for consolidating and enhancing Hong Kong's status as an international logistics hub.

The Government recognises the importance of land to the development of high value-added logistics services. Therefore, "stabilising the supply of logistics land and developing logistics clusters with different functions" is one of the eight development strategies in the Action Plan. Our objective is to satisfy the industry's demand for logistics land in the short-, medium- and long-term through various measures, so as to support the continual development of the logistics industry.

Particularly, in terms of short- and medium-term logistics land supply, we have identified four logistics sites with development potential in the vicinity of the Kwai Tsing Container Terminals, with a plan to release them regularly between 2024 and 2027 for the industry to take advantage of their proximity to the port and develop multi-storey logistics facilities, thereby providing the logistics industry with more room for development. The first of such logistics sites in Tsing Yi was put up for public tender on November 8, 2024. The site has a total area of about 4.4 hectares and can provide a total gross floor area of 227 836 square metres. The area of the three remaining logistics sites ranges from 3.8 to 6.3 hectares. The Government will closely monitor the market situation and launch the three remaining logistics sites in a timely manner in accordance with the programme as set out in the Action Plan.

In the long run, the Government will create modern logistics clusters with different functions on the logistics sites reserved in the new development areas (NDAs), so as to achieve clustering effect, increase the operational efficiency of the logistics industry and thereby facilitate the sustainable development of smart logistics in Hong Kong. We will start with the development of a modern logistics cluster on sites reserved for modern logistics development in Hung Shui Kiu/Ha Tsuen NDA as a pilot. The relevant planning study is in progress, and the findings are expected to be announced in 2025.

In respect of logistics operators, those mode of operation of whose business is not suitable to be conducted in modern logistics facilities, the Government has been working to address their concerns. On one hand, the Government is providing port back-up land in the vicinity of the Kwai Tsing Container Terminals and Hung Shui Kiu/Ha Tsuen NDA to support logistics

operations such as container storage. On the other hand, the Government will also reserve land suitable for open storage in the planning for the Northern Metropolis.

We will continue to maintain close liaison with the industry, with a view to making available suitable logistics sites in a timely manner so as to facilitate the continual development of the logistics industry in Hong Kong as a whole. As regards the quantity and value of high-value cargo handled by the logistics industry in Hong Kong and the number of practitioners handling such cargo, the Government does not compile the relevant statistics.