

# LCQ21: Development of industries on Lantau Island

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (November 28):

Question:

There are views that with the Hong Kong-Zhuhai-Macao Bridge opening to traffic recently, Lantau Island should not be regarded as merely the western edge of Hong Kong but the gateway to the world, and it can also play a pivotal role in the Guangdong-Hong Kong-Macao Bay Area. With an area of 147.16 square kilometres, Lantau Island is the largest outlying island in Hong Kong, but its current population is only 170 000. In 2017, the Government announced the Sustainable Lantau Blueprint, adopting "Development in the North and Conservation for the South" as the future positioning for Lantau Island, as well as exploring the development opportunities in the areas of economy, people's livelihood, tourism, conservation, etc. There are comments that the development of Lantau Island has to be driven by industries, and its planning should not be carried out simply for the purpose of addressing the housing problem. In this connection, will the Government inform this Council:

(1) as the authorities indicated in reply to my question on May 17, 2017 that "in the next stage of detailed planning for strengthening the economic land uses along the northern shore of Lantau, we will further study the proposed Hong Kong Branding Industries Park having regard to considerations such as compatibility with the surrounding land uses, environmental and traffic impacts, as well as market responses, economic benefits and financial arrangements", of the progress of the related work;

(2) given that this year's Policy Address has put forward the Lantau Tomorrow Vision, proposing to create 1 700 hectares of land off the eastern side of Lantau Island by reclamation for the construction of artificial islands in order to develop an "Aerotropolis" and the third Core Business District, but there are comments that it will be difficult to practically promote the development of Lantau Island without a clear positioning for industries, whether the authorities have plans to study the objectives and tactics for the development of industries on Lantau Island; if so, of the details; if not, the reasons for that; and

(3) as it is pointed out by some members of the innovation and technology (I&T) sector that Hong Kong enjoys the strengths and potentials for development into an international I&T hub, and Lantau Island is situated at the forefront of the Guangdong-Hong Kong-Macao Bay Area, whether the authorities have any established stance and concrete plans for attracting international I&T new industries to establish their bases on Lantau Island

and the artificial islands on its eastern side; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Commerce and Economic Development Bureau, the Transport and Housing Bureau, the Planning Department and the Civil Engineering and Development Department, my consolidated reply to various parts of the question is as follows.

With the benefit of commissioning a number of strategic infrastructure facilities including the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong International Airport (HKIA) as well as the Three-Runway System (3RS) which is now being built, Lantau becomes the "Double Gateway" connecting Hong Kong to other parts of the world and the Greater Pearl River Delta. The Sustainable Lantau Blueprint (Blueprint) promulgated by the Government in June 2017 outlined the overarching principle of "Development in the North; Conservation for the South". On the one hand, the Blueprint makes good use of the development opportunities of Lantau to facilitate housing, economic development and trade, leisure, recreation and tourism. On the other hand, the Blueprint strengthens conservation of Lantau's unique and inherent natural and cultural resources. The Blueprint also sets out the strategic position of and planning principles for Lantau development in different aspects. On the economic side, the Blueprint suggests to develop Lantau into a new platform that supports the development of Hong Kong as an economic hub for the four existing pillar industries, namely financial services, tourism, trading and logistics, and professional and producer services.

The Government has invited the Airport Authority Hong Kong to submit a proposal for the topside development at the Hong Kong Boundary Crossing Facilities Island of Hong Kong-Zhuhai-Macao Bridge. Together with the 3RS, the high value-added logistics centre at the South Cargo Precinct, the SKYCITY development project and the future development of the AsiaWorld-Expo, Lantau will become an "Aerotropolis" connecting the Guangdong-Hong Kong-Macao Greater Bay Area and the world, reinforcing and enhancing the position of Hong Kong as an international business centre.

The Tung Chung New Town Extension project, the reclamation works of which is now underway, will provide more than 870 000 square metres of commercial floor space, including business complexes of various scales, as well as retail, dining and entertainment facilities. In particular, the metro core area at Tung Chung East (TCE) will be developed into a smart business node, comprising mainly sites near the proposed TCE Railway Station and the public transport interchange(s) which possess potential for high-density commercial development. As for the waterfront at the northern part of TCE, there will be commercial facilities including retail and hotel facilities apart from the promenade itself to create a vibrant waterfront and for developing the TCE waterfront into a comprehensive public open space and leisure hub within the district, so as to complement the economic development

of the North Lantau and create varied job opportunities. Besides, leveraging on the synergy effect of the existing attractions on Lantau, the proposed Sunny Bay reclamation project seeks to develop a leisure and entertainment node thereon as a year-round vacation destination with international and local mega competitions/sports events. We plan to submit funding application on the planning and engineering study for the Sunny Bay reclamation to the Legislative Council (LegCo) in a timely manner, with a view to commencing detailed planning of the land uses and various impact assessments. We will conduct consultation in respect of the detailed proposals in due course.

Building on the Blueprint, the 2018 Policy Address put forward the Lantau Tomorrow Vision, of which the first phase will focus on the studies for developing the artificial islands of about 1 000 hectares near Kau Yi Chau in the Central Waters. Apart from providing land for housing and supporting facilities, the artificial islands will support the development of the third Core Business District (CBD3), capable of providing about four million square metres of commercial/office floor space. The CBD3 will not only complement the Core Business District in Central to form a metropolitan business core and provide ample room for growth of traditional and emerging industries, it will also create synergy with the future "Aerotropolis" and other commercial developments on the North Lantau, thereby turning Lantau into a supporting service hub for financial and commercial industries with close ties with the HKIA and its surrounding region. This will strengthen Hong Kong's function as a regional connector to bring closer Hong Kong with the rest of the world and other cities in the Greater Bay Area.

We plan to seek funding approval from the LegCo in the first or second quarter next year with a view to commencing the studies on the Kau Yi Chau artificial islands in the Central Waters. The studies will explore, inter alia, the market positioning of the proposed CBD3, the development strategy and detailed planning of land uses. In the process, we will consider optimising the strategic position of the Central Waters and integrating it with the planned major commercial developments of the North Lantau, in order to promote Hong Kong's economic and industry developments including innovation and technology and others.