

Revised in-situ land exchange arrangements for Northern Metropolis to enhance speed and efficiency by leveraging market forces

The Development Bureau announced today (December 28) the detailed revised land exchange arrangements for the Enhanced Conventional New Town Approach (ECNTA).

A spokesperson said, "On the premise of maintaining government-led development and safeguarding the interests of affected households, the revised arrangements could expedite the implementation of the Northern Metropolis and facilitate better development layouts by leveraging market forces."

The ECNTA is currently adopted for the Kwu Tung North/Fanling North and Hung Shui Kiu/Ha Tsuen New Development Areas (NDAs). Under this development approach, the Government will in principle resume all private land planned for development, before allocation for various purposes including disposal of land for private development. However, for sites planned for private development, the Government allows in-situ land exchange applications from land owners subject to certain conditions, which could save the need for the Government to resume, clear and form land, as well as the subsequent tender for land disposal.

The spokesperson said, "Apart from allowing land owners' in-depth participation in development in a manner that complies with the Government's planning, enhances the speed of implementing the Northern Metropolis and facilitates better development layouts, the revised arrangements will also reduce the Government's upfront spending on land resumption and public works while allowing the Government to receive premium revenue earlier. The early provision of housing, industries and other development as well as public facilities will also benefit the public."

The 2023 Policy Address announced that the ECNTA will be extended to development sites specified by the Government in all NDAs while its operational arrangements will be improved. The details are as follows:

- The scope of in-situ land exchange will be broadened to include not only private residential and commercial sites, but also sites for industries and privately-run community or welfare facilities. The specific sites open for land exchange will be determined by the Government taking into account the policy considerations;

- If a land exchange applicant owns 90 per cent or above of the private land within a designated development site (and also owns a minimum area if the designated development site is a residential site), the Government may at its discretion resume the remaining minority third-party land for granting it to the applicant for developing the whole site in a consolidated manner, with a view to facilitating the conclusion of more land exchange applications with better layouts. Under this arrangement, the applicant will be required to pay full market premium for the entire development site (including the minority third-party land) and construct public facilities as specified by the Government;
- In order to expedite the provision of public facilities serving the residents of the NDAs, under certain circumstances (including but not limited to those applications benefitting from the revised land exchange arrangements mentioned in the second bullet point above), the Government may require land exchange applicants to construct relevant facilities by premium deduction; and
- To provide an additional option to eligible land occupants including households affected by land exchange applications, apart from opting the applicants' compensation and rehousing package, the Government will allow eligible occupants to opt for the Government's compensation and rehousing arrangement (including the arrangement to rehouse to public housing under the Hong Kong Housing Authority or the Hong Kong Housing Society). However, land exchange applicants are required to reimburse to the Government the full monetary value equivalent to the compensation and rehousing provided to the eligible land occupants and all other relevant costs involved.

The Government has issued today a Legislative Council Brief and a Practice Note announcing the revised arrangements. It will also issue Practice Notes applicable to individual NDAs in due course to announce the detailed land exchange arrangements, including the sites available for in-situ land exchange, application criteria and conditions, as well as application deadlines, etc.