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**Lantau Development Advisory Committee
Economic and Social Development Subcommittee
Second Meeting**

Date: 12 November 2014 (Wednesday)

Time: 3:00 pm – 5:15 pm

Venue: Conference Room 1, G/F, Central Government Offices, Tamar,
Admiralty, Hong Kong

Gist of Meeting

Members Present:

Dr Peter LAM Kin-ngok	Chairperson
Mr Franklin LAM Fan-keung	Deputy Chairperson
Ms LAM Lit Kwan	
Mr LAU Ping-cheung	
Hon Alice MAK Mei-kuen	
Hon YIU Si-wing	
Professor CHAN Kei-biu	
Ms Rita LAU Shuk-han	
Mr Benson LUK Hon-man	
Ms Caroline Tsui-yee TANG	Assistant Secretary (Planning)1, Development Bureau (DEVB)
Mr Kelvin LO Kwok-wah	Principal Assistant Secretary (Works) 5, DEVB
Ms Phyllis Chi-miu LI	Deputy Director/Territory, Planning Department
Mr Rico TSANG	Assistant Secretary for Transportation & Housing (Transportation)3B, Transport & Housing Bureau
Mr Jeffrey CHIM	Senior Administrative Officer (Tourism)2, Commerce & Economic Development Bureau
Mr SO Ping-man	Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department (AFCD)
Mr Anthony LI	District Officer (Islands), Home Affairs Department
Mrs LEUNG SO Suk-ching, Tonia	Assistant Commissioner (Employment Services), Labour Department
Mr WONG Chi Fai Gary	Chief Executive Officer (Policy & Development), DEVB / Secretary

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Members Absent (absent with apologies):

Mr Ivan CHU Kwok-leung
Mr Joe FANG Zhou
Mr Allen HA Wing-on
Mr Vincent LO Hong-sui
Mr Randy YU Hon-kwan
Professor WONG Fook-ye

In Attendance:

Ms Bonnie MAN	Assistant District Officer (Islands), HAD
Mr CHEUNG Ka Shing	Senior Country Parks Officer/ North-west (Acting), AFCD
Mr Joe YIP	Assistant Secretary (Land Supply)1, DEVB
Ms Joyce LI	Engineer (Land Supply) Special Duty, DEVB
Miss Erica WONG	Senior Executive Officer (Lantau), DEVB

1. The Chairman welcomed all Members, co-opted members and government representatives to the second meeting of the Economic and Social Development Subcommittee.

Agenda item 1: Confirmation of the Gist of the Last Meeting

2. The Chairman said that the Secretariat had distributed draft minutes of the last meeting to Members for their perusal prior to this meeting and that no suggestion on revision had been received. The subcommittee (SC) endorsed the proposed minutes of the first meeting.

Agenda item 2: Matters Arising

3. There was no matter arising from the last meeting to follow up.

Agenda item 3: Main Work and Plans Related to the Proposals on Economic and Social Development (ESD Paper No. 03/2014)

4. Mr. Kelvin LO Kwok-wah, Principal Assistant Secretary (Works) 5, DEVB, outlined the main works and plans of the government with regard to the proposals

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relating to economic and social development, including studying the overall development strategy for commercial land in Lantau and the market positioning for commercial use of individual strategic development sites, formulating the direction and positioning of the overall leisure and tourism development of Lantau, and carrying out further investigations on individual leisure and tourism projects. Depending on the studies' progress, the major work plans were to submit for the SC's consideration the staged results of the study on Lantau's recreational and tourism development and the preliminary draft for Lantau's overall spatial development and conservation strategy by mid-2015, and the draft proposals for Lantau's overall economic development strategy by around the end of 2015.

5. Members made a number of comments on the paper, which were summarized as follows:

- Members supported the current themes for Lantau's overall development. In particular, North Lantau should centre on commercial-economic development, providing hotels, conference and exhibition centres and other tourism-related facilities, as well as tertiary institutions for supporting and complementing the airport development. For northeast Lantau area, where Hong Kong Disneyland is located, and around Sunny Bay, some artificial attractions might be considered. Featured with beautiful natural landscapes, south Lantau has the potential to develop into a distinctive high-end leisure and spa resort in Hong Kong and even across the Pearl River Delta Region. In addition, the East Lantau Metropolis which would be built on central waters, could be developed into another core business district in Hong Kong.
- Members supported formulating the overall development strategy for Lantau's commercial land and the market positioning for commercial use of individual strategic development sites to determine the types of commercial and economic activities for boosting the development of Lantau as soon as possible. Government departments should coordinate with each other in land development to avoid duplicating development or developing one single type of industry only. The land should not be solely used for shopping malls or hotels purposes. Instead, sufficient land should be reserved for other industries.
- Members supported carrying out the consultancy study as soon as possible and were of the opinion that relevant government departments should continue to implement local revitalization and current improvement works. The scope of consultancy study had to address new issues, not duplicating with previous studies. Details of the consultancy study should therefore be clearly defined.

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- Though anticipating the opening of Hong Kong-Zhuhai-Macao Bridge to traffic by end 2016, the study report on the topside development at the Hong Kong Boundary Crossing Facilities (HKBCF) island would only be available in 2016 at the earliest. Therefore, it was suggested that the study should commence as soon as possible.
- Apart from tourism and other economic development, the SC should discuss Lantau's employment status, vocational training and employment support services, to meet the overall development of Lantau and alleviate the current situation of more poor living in Tung Chung arising from under-employment or mis-matches. Considering that one of Lantau's development directions was to become a hub for leisure, entertainment and tourism, it was recommended that tertiary curricula should be developed for related industries, such as aircraft maintenance, catering and hospitality, and post-secondary vocational training institutions should be established to provide the necessary courses for training of personnel. In addition, when planning the blue print of Lantau development, it was suggested studying the provision of sufficient primary schools, secondary schools and international schools to meet the demand of the forecast population growth;
- All the buildings in Lantau should be required to incorporate water-cooled eco-design features, making Lantau one of the greenest cities in the world. There was another view that the eco-design requirements might have a significant impact on development costs, and a pilot scheme should be carried out in a small scale to examine in detail the overall feasibility of eco-design requirements;
- With a preliminary forecast traffic flow of 14,000 vehicles per day along the bridge, just to accommodate the demand of parking alone, the currently reserved 300,000m² floor area on the HKBCF island would be insufficient to meet the parking demand, and might induce serious traffic congestion. To cope with the forecast passenger flows, it was essential to provide the railway system to the HKBCF island, linking the North Commercial District (NCD) on the airport island and the outside of Lantau. This would facilitate the visitors to reach the airport from the HKBCF island directly, and to travel to other parts of Hong Kong more efficiently and quickly.
- Members supported the proposal to build the mountain bike trail network as soon as possible for boosting tourism and other economic activities in Lantau. The development of bike trails should be well coordinated with the road system so that cyclists could travel to Lantau Island easily and conveniently for enjoying the fun of cycling. There were views that nowadays cyclists, especially the youths, preferred to ride bikes along roads for excitements, rather than using cycle tracks. Therefore, relevant

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government departments should cautiously consider the actual situation when developing bike trails.

- Local residents should be encouraged to work in Lantau. Specifically, a detailed study should be made on the requirements of supporting facilities for attracting enterprises/ government departments to set up offices in Lantau. This would make Lantau a self-sustained community. It would avoid mismatches, caused by a large number of Lantau residents seeking employment outside the area while many outsiders travelling to work in Lantau Island, and the traffic congestion issues induced.
 - Owing to the shortage of public housing in Lantau that has led to an inadequate working population, coupled with toll for roads leading in/out of Lantau, enterprises such as logistics companies and outside residents were reluctant to set up business or work on the island. It was recommended that the consultancy report should consider whether to lift the road toll.
 - The proposal to revive Ma Wan Chung Village was supported. It was hoped that the project would commence as soon as possible to strengthen the local economy and create job opportunities.
 - It was not advisable to focus only on development of new districts, but should also revive the old districts, especially the industry revitalization.
 - The topside development at the HKBCF island should be coordinated with the development of the North Commercial District (NCD) on the airport island. The SC agreed to invite the Airport Authority (AA) to attend the next meeting and introduce the proposed NCD development, and the relevant government departments could also provide initial concepts regarding the topside development at the HKBCF island for AA's reference.
6. The Chairman said that the Hong Kong Tourism Board would provide full support for tourist promotion, and requested the Commerce and Economic Development Bureau (including the Tourism Commission) to adopt the views of Members as far as possible. The SC finally agreed to the contents of the discussion paper, and requested relevant departments to take action as soon as possible and to submit a report to the SC for consideration and discussion in due time.

Agenda item 4: Opinion Survey on Hong Kong's Logistics Industry and Review on Land Supply during March to June 2014, Conducted by Professor George Huang from the Department of Industrial and Manufacturing Systems Engineering, Hong Kong University, and Dr. Yiu Man Wong of BPS Global Group

7. Prof. George Huang, Department of Industrial and Manufacturing Systems Engineering, the University of Hong Kong, and Dr. Yiu Man Wong of BPS Global Group briefed the SC on the opinion survey of the logistics industry carried out between March and June 2014 through questionnaires and focus group discussions among logistics professional group members aimed at analysing opinions from the industry on the demand for logistics land use; and their subsequent review on land supply for logistics use conducted in May and June 2014.
8. Members considered the opinion survey to be a qualitative study. The findings only reflected the views of the industry, without fully and objectively revealing the prospects of the logistics industry. The SC suggested gathering more information for data analysis, and to explore the prospects and land demand of the logistics industry. As the land required for the logistics industry should not be limited to within Lantau, and such issue fell within the scope of the Transport and Housing Bureau, the SC suggested that the subsequent findings should be submitted for the Transport and Housing Bureau to follow up.
9. There being no other business, the meeting was adjourned at 5:15 p.m.