

Legislative Council Panel on Development

Key tasks of Development Bureau in the Chief Executive's 2025 Policy Address

PURPOSE

This paper briefs Members on the work focuses of the Development Bureau (DEVB) in the Chief Executive's 2025 Policy Address. In the next decade, the Government will get ready around 2 600 hectares of land, among which around 70% will come from the Northern Metropolis (NM). To further **accelerate the development of the NM**, the new governance structure led by the Chief Executive and Secretaries/Deputy Secretary at the top level will focus on the key tasks in the next stage, including dedicated legislation, industry anchoring, public-private partnership, the positioning of and strategy for the University Town, and speeding up of the works approval process. We will also introduce various innovative land administrative initiatives, with a view to attracting investment in the NM. Outside the NM, to **drive industry development**, we will take forward the development of yacht berths, as well as expanding the well-received Hostels in the City Scheme. **Urban renewal** is another theme. We will put forward three initiatives with a new mindset, with a view to expediting redevelopment projects by the public and private sectors. Lastly, to **reduce construction costs**, we will implement various initiatives, including expediting the approval process for large-scale projects, further relaxing the gross floor area (GFA) exemption arrangement for carparks, reviewing advanced construction designs and material standards, conducting central procurement on a trial basis and leveraging technology such as artificial intelligence (AI).

2. Extracts from the Policy Address on the major initiatives related to the DEVB are at **Annex A**. Relevant extracts from the Policy Address Supplement are set out in **Annex B**. A list of Indicators for Specified Tasks under the DEVB in the Policy Address is at **Annex C**, and the progress of indicators under the DEVB in last year's Policy Address is at **Annex D**.

POLICY ADDRESS INITIATIVES

10-Year Formation Forecast of Developable Land

3. To plan for our land creation work and to keep the society informed of the land development situation, we have been updating and releasing on an annual basis a 10-year formation forecast of developable land (i.e. “spade-ready sites”) since 2022. Land creation thus far has progressed on schedule. We duly produced about 180 hectares of “spade-ready sites” in 2024-25 through various land creation projects, and are on track to achieve the target of producing around 150 hectares of “spade-ready sites” in 2025-26.

4. According to the latest forecast, if all procedures involved in land creation could be smoothly taken forward (i.e. technical feasibility and development parameters could be ascertained, statutory procedures and handling of public comments could be completed in time, land clearance could proceed as planned, and resources for the works could be timely secured, etc.), in the next decade (i.e. 2026-27 to 2035-36), it is estimated that we can get ready around 2 600 hectares of “spade-ready sites”. All these “spade-ready sites” come from government-led projects, among which around 70% (around 1 800 hectares) will come from the NM, while the remaining from projects such as Tung Chung New Town Extension, Tseung Kwan O Areas 137 and 132, Lung Kwu Tan reclamation and the re-planning of Tuen Mun West area. Viewing from a macro perspective, the final report of the “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” (Hong Kong 2030+) has recommended us to get ready around 7 000 hectares of land over a 30-year period up to 2048, i.e. around 200 hectares per year on average. The estimated output of around 260 hectares per year on average in the latest 10-year period is in line with the target level set by the Hong Kong 2030+. We will continue to sustain efforts in land creation, and take forward various land creation projects in a paced manner. The goal is to get ready sufficient land and roll out the land as and when needed to support Hong Kong’s long-term economic development and people’s livelihood needs, and build up a healthy land reserve in the long run. At the same time, we will continue to roll out land in a prudent and pragmatic manner, and flexibly adjust our land disposal strategy according to market situation.

Accelerate the Development of the NM

5. The NM, our city's strategic development area bordering Shenzhen, covers a land area and planned population intake accounting for about one-third of Hong Kong's totals. The overall planning of the NM is in place. To further accelerate the development of the NM, the Policy Address has introduced measures in the following three aspects:

- (a) **Enhancing the governance structure for the NM** – the Committee on Development of the NM (CDNM) would be established and chaired by the Chief Executive to replace the Steering Committee on the NM. Three working groups, namely the Working Group on Devising Development and Operation Models, the Working Group on Planning and Construction of the University Town and the Working Group on Planning and Development, would be set up under the CDNM and led by the Financial Secretary, the Chief Secretary for Administration and the Deputy Financial Secretary respectively. In particular, a dedicated project supervision office will be established under the Working Group on Planning and Development to strengthen the co-ordination and supervision of the approval process of private projects, imposing time limits and phased reporting, to accelerate progress. The CDNM and the three working groups have convened or will convene the first meeting;
- (b) **Introducing dedicated legislation to “accelerate the development of the NM”** – empowering the Government to devise simplified statutory procedures for issues including setting up statutory industry park companies; providing industry park companies with dedicated channels for funding; managing ways to facilitate the cross-boundary flow in designated areas; speeding up the approval of building plans; relaxing permitted uses in outline zoning plans and fine-tuning development parameters; and expediting compensation payment for land resumption. We will conduct a two-month consultation exercise on the legislative proposal early next year and introduce a bill to

the Legislative Council (LegCo) around mid-next year in a bid to have the bill passed by the end of next year; and

(c) Streamlining administrative procedures to remove barriers and ease restrictions – including:

- (i) introducing a fast track processing system, adopting superior construction methods from different places, and integrating successful construction technologies, materials and equipment from the Mainland and overseas;
- (ii) implementing a “phased development” approach on a trial basis with reference to the Mainland’s “1.5-level development” concept, under which low-density facilities, such as retail, entertainment or convention and exhibition facilities will be developed initially in New Development Areas (NDAs) to attract businesses, bringing income and footfall to the area to create momentum before long-term development is rolled out. We will identify commercial sites in the town centre of the Hung Shui Kiu/Ha Tsuen NDA as pilot sites and invite market feedback in this regard;
- (iii) continuing to promote market participation in diverse development models such as in-situ land exchange and large-scale land disposal. This includes inviting in-situ land exchange applications for San Tin Technopole and inviting tender for the pilot area of the large-scale land disposal in Hung Shui Kiu/Ha Tsuen within this year, while tender invitation exercises for the pilot areas in Fanling North and San Tin Technopole will commence progressively next year;
- (iv) for industry land granted by way of tenancy instead of land lease (i.e. not involving a prior one-off payment of land premium in exchange for a land lease of up to 50 years, but shorter tenancies with periodic payment of rent), we will employ a more flexible arrangement to determine the tenancy term and provide tenancies that may be renewed to

a maximum of 21 years in total, which would allow tenants to better plan for business development. In particular, we will provide tenants with the option to renew the tenancy upon expiry of the first fixed term (maximum of seven years), for at most two renewals (i.e. “7+7+7” arrangement). The rent would be reviewed in accordance with the market level at the time of each renewal, and may be adjusted upwards or downwards. The length of each tenancy term may be flexibly determined according to the needs of individual industries and tenants, i.e. “7+7+7” or “3+3+3”, etc., are all acceptable arrangements, so long as each tenancy term does not exceed seven years;

- (v) allowing land owners in the NM to voluntarily surrender land planned to be resumed by the Government to offset the amount payable for in-situ land exchange or large-scale land disposal in NDAs within the NM, mainly covering the following two categories: (1) private land in the NM that has already been resumed by the Government but has yet to be compensated due to ongoing land title checks; or (2) private land in the NM that is planned to be resumed by the Government for development purposes within the next three years. We will calculate the value per square foot of the voluntarily surrendered private land based on the relevant ex-gratia compensation rates¹ for agricultural land that are applicable to land in the New Territories;

¹ The ex-gratia compensation system for land in the New Territories consists of two compensation zones (i.e. Tier One zone and Tier Two zone): the ex-gratia compensation rate of Tier One Zone is applicable to land resumed for development uses, including NDAs and other development uses covering residential or economic developments (including their ancillary purposes) or provision of public facilities which go beyond rural improvements for local villages; while the ex-gratia compensation rate of Tier Two Zone is applicable to land resumed for non-development uses including uses related to rural improvement and conservation, such as wetland conservation park. Under each zone, the agricultural land and building land have different ex-gratia compensation rates. Since April this year, the compensation rate for agricultural land in Tier One Zone is \$1,032 per square foot, and that for Tier Two Zone is \$516 per square foot.

(vi) launching a three-year pilot scheme on “Pay for What You Build” (the Pilot Scheme), whereby in lease modifications, owners will be allowed to carry out phased development and pay the required premium as determined according to the actual construction floor area and use. The Pilot Scheme is applicable to all lease modifications and land exchange applications for non-residential use developments². The floor area under the initial phase of the development must amount to at least 60% of the total maximum GFA of the whole development, and should be completed in time in accordance with the Building Covenant, with the land premium assessed based on the full market value of the 60% GFA and the actual use. The developer must decide whether it would develop the remaining 40% GFA within 10 years after the completion of the initial phase. If the developer decides to continue, the second land premium will be assessed based on the full market value and the actual use at that time. If the developer decides not to continue, the Government may redeploy the infrastructure capacity of the 40% GFA to other lots in the district, subject to the development situation of the zone in which the relevant lot is located (e.g. whether there is any application for increasing the plot ratio of land nearby). In other words, although the land owner will retain ownership of the relevant land at that time, the owner may have difficulty in obtaining the approval for taking forward the development of the 40% GFA. Safeguards will also be devised under the Pilot Scheme, including imposing alienation and land lease restrictions. The whole land parcel will be subject to non-alienation except as a whole³. If the land owner decides to

² The land parcel concerned should have been zoned for “non-residential” use. If the land has not yet been re-zoned, e.g. zoned as “Agriculture” and is intended to be used as a low-rise storey temporary storage, the applicant may continue to submit planning application to the Town Planning Board and short-term waiver application to the Lands Department.

³ This approach allows the developer or a single successor to retain control over the property’s development, enabling them to make good use of the remaining buildable GFA through building addition or allow other land use in the future, thereby achieving full utilisation of the land.

change the land use in the future, lease modification and premium payment would be required in accordance with the established mechanism; and

- (vii) commencing a **land use review for the Au Tau NDA** to capitalise on the development potential brought by the Northern Link and increase the proportion of private housing; the results of the review are expected to be available next year.

The measures in (ii) - (vi) above are innovative land administration measures, aiming at reducing the initial capital cost for development and enhancing investment incentive from the market to promote industry development. These measures can be combined for adoption. For example, “phased development” can be adopted alongside longer government tenancies; the “Pay for What You Build” approach is applicable to in-site land exchange; surrendering the land value as offset helps reduce the land premium payable for in-situ land exchange or large-scale land disposal. In addition, a site eligible for in-situ land exchange applications not only is eligible for the Pilot Scheme, but also may be considered for participating in “phased development” as an alternative, if the site is selected by the Government. In addition to the NM, measures (iv) and (vi) are also applicable to areas outside the NM. We will consult organisations such as the Real Estate Developers Association of Hong Kong, the Hong Kong Institute of Surveyors and the Heung Yee Kuk on the operational details of measures (iv), (v) and (vi), with a view to implementing them in the first quarter of next year.

6. Apart from disposal of industry land through open tender, restricted tender or direct grant, we will explore setting up industry park companies to manage and operate industry land. The industry park company will, in accordance with the Government’s industrial policies, formulate the park’s development and operation strategies, take up day-to-day management and attract businesses and investment. The first such company will be set up for around 23 hectares of industry land in Hung Shui Kiu. The DEVB is

finalising the details of the non-statutory industry park company to be established by the Government for the land as a pilot industry park. The DEVB will announce the proposal within this year after reporting to the Working Group on Devising Development and Operation Models under the CDMN. In addition, the packages of preferential policies covering land grants, land premium, financial subsidies or tax incentives to be formulated by the relevant units under the leadership of the Financial Secretary will also be applicable to the NM to attract high value-added industries and high-potential enterprises to set up their presence in Hong Kong.

7. Moreover, for the NM, we will explore suitable means to connect rural attractions such as traditional villages and fields, ancestral halls and study halls, as well as folk activities, etc., enabling visits through strolling or cycling; we will also facilitate village houses' transformation into guesthouses, restaurants or cafes, etc., with a view to enriching visitors' experience of rural eco-tours and promoting urban-rural integration.

Drive Industry Development

Increase Student Hostel Supply

8. The Government continues to strive to develop Hong Kong into an international hub for post-secondary education. On 21 July this year, the DEVB and the Education Bureau (EDB) launched the Hostels in the City Scheme to provide facilitation measures to encourage the market to convert commercial buildings into student hostels. Nine applications, representing a total of around 1 500 bed spaces, had been received as at mid-September 2025, mainly involving wholesale conversion of commercial buildings in Hung Hom, Kwun Tong, Sham Shui Po, Mong Kok, Wan Chai and Sheung Wan. Five of these applications have been given approval-in-principle by the EDB.

9. In response to enthusiastic market responses, the Chief Executive announced the expansion of the Scheme in the 2025 Policy Address. Effective from the day of the announcement, apart from cases involving the conversion of commercial buildings, cases involving newly built student hostels (including those redeveloped from original commercial buildings)

can also enjoy the facilitation measures under the Scheme. The Government will also reserve at least three new commercial sites mainly in urban areas for building new hostels and will invite the market to submit expressions of interests this year.

Develop Yacht Economy

10. To support the future development of yacht economy in Hong Kong, the DEVB is spearheading three projects at the ex-Lamma Quarry, the expansion area of the Aberdeen Typhoon Shelter and Hung Hom Station waterfront area, and will encourage the private sector to construct and operate the new yacht berthing facilities thereat. The three projects are expected to provide a total of around 600 new yacht berths. As regards the two projects at the ex-Lamma Quarry and the expansion area of the Aberdeen Typhoon Shelter, we are consolidating and analysing the expressions of interest submitted by the market so as to finalise the detailed development parameters and requirements for the projects. Our aim is to invite tenders for the ex-Lamma Quarry project in the second half of 2026. Subject to the funding approval of the LegCo in respect of the expansion works of the Aberdeen Typhoon Shelter next year, we intend to invite tenders for the yacht facilities at the Aberdeen Typhoon Shelter in the first half of 2027 or even earlier. As regards the Hung Hom Station waterfront project, we are also consolidating and analysing the feedback collected during the public consultation exercise we conducted earlier this year. Our aim is to commence the relevant statutory procedures for the project in the second half of 2026.

Aestheticise Streetscape of Lan Kwai Fong

11. Reconstruction and beautification of urban fabric through urban renewal can inject new vigour into the community and attract visitors. The DEVB will co-ordinate by phases the work related to improving the streetscape of Lan Kwai Fong and streets nearby. The first phase will mainly involve refurbishment and beautification works that can be completed in the short run, such as road resurfacing, beautification of refuse collection points and use of thematic manhole covers, with a view to achieving initial results as soon as possible. Subsequently, we will expand the beautification works

to nearby streets in the second phase. We hope to work with shops and local bodies to facilitate “community-making”, creating a stylish environment for the precinct. Lan Kwai Fong is the first urban renewal project jointly taken forward by the DEVB and other departments. If the project proves successful, we will consider extending the work to other places.

Facilitate Urban Renewal with a New Mindset

12. To address urban decay and building ageing, we will continue to take forward redevelopment and step up maintenance of aged buildings. On redevelopment, to encourage greater private sector participation in the redevelopment of old buildings and reduce their difficulty in acquiring old building units, we amended the Land (Compulsory Sale for Redevelopment) Ordinance last year, which has lowered the compulsory sale application thresholds and facilitated multiple adjoining-lot compulsory sale applications since December last year. Five applications have been received so far. The dedicated office set up under the DEVB and the Support Service Centre for Minority Owners under Compulsory Sale supervised by the dedicated office have also commenced operation since August 2024 to provide one-stop support services to minority owners subject to the aforesaid five applications, as well as to strengthen public education and publicity work.

13. However, given the speed of building ageing far exceeds the redevelopment speed by the Urban Renewal Authority (URA) and the market (the number of private buildings aged 50 or above increased by 500 per year in the past decade, far outstripping the number of buildings demolished for redevelopment per year that stands at 160), plus considering that redevelopment projects in many old districts lack financial benefits (e.g. the permissible GFA after redevelopment is the same as or even less than the existing GFA of aged buildings), in order to take forward urban renewal projects in a sustainable manner, we need a breakthrough in policy thinking and adopt an innovative approach to consider the redevelopment of old districts and the development of new areas altogether when exploring the use of new land resources to support the redevelopment in old districts. We propose measures as follows:

- (a) Reserving three sites in the Kwu Tung North and Fanling North NDAs within the NM, together with the granted site in Tseung Kwan O Area 137 (TKO Site), for URA⁴ to construct new buildings, which will be used as replacement flats under the “Flat-for-Flat” Scheme in the future as an alternative option to cash compensation for owners affected by URA’s redevelopment projects in the future (i.e. affected owners can either choose the cash compensation or a replacement flat). To follow up on the conditions imposed on the granting of the two sites (including the TKO site) by the Executive Council to URA earlier, DEVB and URA will examine the redevelopment and acquisition strategy of URA. Apart from examining the compensation arrangement for the “Seven-year Rule”, details for the “Flat-for-Flat” updated arrangement will also be formulated. Our aim is to put forward a proposal and consult the public on the overall redevelopment and acquisition strategy within next year;
- (b) Relaxing the arrangement for transfer of plot ratio within the same district, which is currently applicable to Yau Ma Tei and Mong Kok only, to allow cross-district transfer of unutilised plot ratio from redevelopment projects to other districts or even NDAs, to enhance market incentive for redevelopment. Issues such as relaxing the restrictions on the number of “receiving sites” and the cap on GFA to be received, as well as the requirements on planning gains of the “sending sites” will be considered. The increased GFA in the “receiving sites” will continue to be subject to the approval by the Town Planning Board and land premium payment under relevant leases (if necessary); and
- (c) Providing more redevelopment incentive for enterprises by suitably increasing the plot ratio of private redevelopment projects for the relevant land owners (such as 20% at the

⁴ URA is an important partner of the Government to promote urban renewal. In order to enable URA to cope with future financing demand, the Government also granted approval in August this year to raise URA’s borrowing limit from \$25 billion to \$35 billion.

maximum), on a pilot basis, for the seven designated areas⁵ with more pressing redevelopment needs, if the private redevelopment projects can meet certain specific criteria (such as the site size reaching 700 square metres, building age at 50 years or above, and the land use of the lot being residential use) and allowing the relevant land owners to transfer the increased plot ratio for utilisation in the NM or other districts, or converted into monetary value to be used for offsetting the premium payable by the land owners for land bidding, lease modification in other projects or in-situ land exchange. We propose that the increased plot ratio, whether transferred for utilisation in other districts or converted into monetary value, must be used within a specified period and is non-transferrable.

We will provide a more detailed account of measures (b) and (c) in the meeting of the Panel on Development to be held in October, and will commence consultation.

14. Besides, the district planning studies commenced by URA for Tsuen Wan and Sham Shui Po respectively are in good progress. Upon refining the recommendations and completion of the technical assessments, URA will submit the renewal master plans for Tsuen Wan and Sham Shui Po respectively by the end of this year.

Release Industrial Land in Urban Areas

15. Regarding the release of industrial land in urban areas, the Planning Department has conducted five rounds of Area Assessments of Industrial Land in the Territory since 2000 to ensure timely and proper planning to optimise the use of the industrial land in Hong Kong. More than 300 hectares of industrial land have been rezoned for other uses such as business and residential uses since 2001. The Government will commence a new round of study on existing industrial stock in the fourth quarter of this year

⁵ The seven districts, as covered by the outline zoning plans, refer to the first batch of Designated Areas specified in the Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024, namely Cheung Sha Wan (covering Sham Shui Po), Ma Tau Kok (including Kowloon City and To Kwa Wan), Mong Kok, Sai Ying Pun and Sheung Wan, Tsuen Wan, Wan Chai, and Yau Ma Tei.

and put forward recommendations next year, including the way forward for the Revitalisation Scheme for Industrial Buildings. Apart from the aforesaid “Pay for What You Build” approach that would benefit redevelopment of industrial buildings, initial directions of the review will cover whether the premium payment arrangement for redevelopment of industrial buildings needs further enhancement, e.g. whether there is any room for improving the standard rates arrangement for charging land premium; and whether it is possible to expand the scope of permitted non-industrial uses in industrial building units without requiring waiver application, on the premise of safeguarding fire safety.

Review the Buildings Ordinance (BO)

16. We have completed the systematic review of the BO and conducted a two-month public consultation on the BO amendment proposals. The proposals cover three aspects, namely expediting building inspection and building repair, rationalising the policy for handling unauthorised building works and enhancing building works safety, mainly seeking to enhance deterrence against non-compliance with statutory notices or orders and serious unauthorised building works, and to strengthen regulation of contractors. The proposals were generally welcomed by the community. The drafting of the legislative amendments by the DEVB is underway, with the target of introducing an amendment bill into the LegCo in the first half of 2026.

Cut More Red Tapes and Lower Construction Costs

17. The Government will continue to streamline development procedures, so as to lower costs for the trade and enhance construction efficiency. The relevant measures include:

- (a) Co-ordinating with relevant departments proactively and simplifying approval mechanism to expedite approval processes for large-scale projects. The Project Strategy and Governance Office will be responsible for government projects; the dedicated project supervision office mentioned in paragraph 5(a) above will be responsible for NM projects, while the Development

Projects Facilitation Office will be responsible for projects other than those in the NM. Our aim is to promulgate the relevant operational details by the end of this year;

- (b) Having balanced considerations such as urban design against construction costs and time, we will further relax the GFA exemption arrangement for car parks in private developments. Full GFA exemption will be granted if developers construct no more than two storeys of aboveground car parks, and the mandatory requirement of constructing underground car parks as a condition for exemption will be removed. Recent data reveal that more than 80% of private development projects have car parks of two or fewer storeys. As such, it is expected that most of the projects can benefit from the arrangement, under which not only construction costs can be reduced (as the construction costs for an aboveground car park represent 60% of the construction costs for an underground car park), the construction time can also be shortened (as the time for constructing a two-storey aboveground car park is approximately one year shorter than constructing a two-storey underground car park). Our aim is to implement the new arrangement on 1 November 2025;
- (c) Strengthening project governance by reviewing the requirements of user departments for site selection, usage mix, scale, design, implementation programme and so on at the conceptual stage before project inception, and assisting relevant bureaux and departments in establishing and reinforcing the “ownership” mindset and working jointly to enhance the cost-effectiveness of public works projects. The DEVB is working with the Financial Services and the Treasury Bureau to formulate relevant details and guidelines, with the relevant measures planned to be implemented within this year.
- (d) The Building Technology Research Institute (BTRi) will continue to conduct review on construction standards and requirements adopted in Hong Kong, with emphasis on

commencing enhancement on those long-standing local construction standards and requirements that significantly impact the construction costs, in order to enhance cost effectiveness and reduce construction costs. The first batch of review including concrete strength and load bearing capacity of foundations is targeted for completion within 2026.

- (e) Conducting central procurement on a trial basis in the first half of 2026, piloting in the procurement of commonly used materials including steel reinforcement and Modular Integrated Construction (MiC) modules.
- (f) The BTRi will continue to promote innovative applications by piloting them in public works projects to enable application of innovative construction materials and technologies. The BTRi will also implement a certification scheme for construction products to provide accreditation for construction products that meet specifications, requirements and standards, and establish a central database for industry reference, which will facilitate applications and effectively cut down on the approval procedures in future, thereby promoting wider local application of cost-effective construction products.
- (g) Regarding the application of AI technology and construction robots, we will promulgate policy within 2026 with progressive formulation of relevant specifications and standards requiring new public works projects to adopt highly-effective construction robots with functions such as automated processes, remote control, AI, etc. for suitable processes, so that the overall work efficiency and project performance can be fully enhanced. As regards private works projects, we will subsidise the industry to adopt the relevant technologies through the Construction Innovation and Technology Fund. We are also actively using technologies including big data, AI, and automated drones to further enhance our capabilities in flood prevention, landslide warning and emergency responses to minimise the impact of extreme weather.

- (h) We will launch a Project Cost Management Platform in phases from 2026 to expedite approval processes of public works projects, enhance decision making efficiency and optimise cost-effectiveness of design proposals. Moreover, we will continue to implement measures to strengthen the supply chain of MiC and foster the application of MiC technology in public and private sector projects. We will also formulate and promulgate a series of measures to strengthen the supply chain of Multi-trade Integrated Mechanical, Electrical and Plumbing modules so as to enhance the efficiency and performance of mechanical and electrical installation in public works.

Support the Local Construction Industry

18. In the original estimate of about \$120 billion for the Government's average annual capital works expenditure in the coming five years, we will earmark an additional \$30 billion in the next two to three years to increase expenditure on works projects driving sustained economic development.

Concession of Water Charge

19. The Government will step up support to Small and Medium Enterprises. To alleviate their pressure on business operations, we plan to reduce water charge for non-domestic accounts by 50%, subject to a monthly ceiling of \$10,000 per account, starting in early 2026. The measure will be implemented for one year. About 260 000 non-domestic accounts are expected to benefit from this measure, including the catering industry, hotel industry, laundry services, hair and beauty services, etc. We plan to table the brief on amendment to Waterworks Regulations (Cap. 102A) to the LegCo for negative vetting in early 2026 for implementation of the above-mentioned concession measure.

INDICATORS FOR SPECIFIED TASKS

20. We set out in **Annex C** a list of 13 Indicators for Specified Tasks contained in the Annex to the 2025 Policy Address. They comprise seven new indicators and six ongoing and valid indicators. As regards the Indicators for Specified Tasks contained in the Annex to the 2024 Policy Address, the relevant progress is set out in **Annex D**.

ADVICE SOUGHT

21. We welcome comments from Members on the various initiatives.

Development Bureau
September 2025