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**Lantau Development Advisory Committee
Sixth Meeting**

Date: 26 September 2015 (Saturday)

Time: 9:30 a.m. to 1:00 p.m.

Venue: Conference Room 6, G/F, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong

Minutes of Meeting

Members Present

| | | |
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| Mr CHAN Mo-po, Paul | Secretary for Development | Chairman |
| Hon CHAN Han-pan | | |
| Mr CHAN Yung | | |
| Ms CHAU Chuen-heung | | |
| Mr CHOW Yuk-tong | | |
| Dr FANG Zhou, Joe | | |
| Mr HA Wing-on, Allen | | |
| Mr LAM Chung-lun, Billy | | |
| Mr LAM Fan-keung, Franklin | | |
| Dr LAM Kin-ngok, Peter | | |
| Ms LAM Lit-kwan | | |
| Mr LAM Siu-lo, Andrew | | |
| Hon MAK Mei-kuen, Alice | | |
| Dr WANG Jixian, James | | |
| Hon YIU Si-wing | | |
| Mr YU Hon-kwan, Randy | | |
| Mr HON Chi-keung | Permanent Secretary for Development (Works) | |
| Mr WONG Wai-lun, Michael | Permanent Secretary for Development (Planning and Lands) | |
| Mrs YEUNG HO Poi-yan, Ingrid | Commissioner for Transport | |
| Miss CHU Man-ling, Cathy | Commissioner for Tourism | |

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| Mr CHUNG Kum-wah, Daniel | Director of Civil Engineering and Development |
| Ms FUNG Yin-suen, Ada | Deputy Director of Housing (Development and Construction) |
| Ms LI Chi-miu, Phyllis | Deputy Director of Planning/Territorial |
| Mr TSE Chin-wan | Deputy Director of Environmental Protection (1) |
| Mr LI Ping-wai, Anthony | District Officer (Islands), Home Affairs Department (HAD) |
| Miss WONG Chin-kiu, Janet | Principal Assistant Secretary for Development (Works) Special Duty, Development Bureau (DEVB) Secretary |

Members Absent (absent with apologies)

Mr CHU Kwok-leung, Ivan
Prof HO Kin-chung
Mr LAU Ping-cheung
Mr SO Chak-kwong, Jack
Hon WU Chi-wai

In Attendance

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| Mr MA Siu-cheung, Eric | Under Secretary for Development |
| Mr LAI Cheuk-ho | Principal Assistant Secretary for Development (Works) 5 |
| Miss LAU Sze-mun, Shirley | Administrative Assistant to Secretary for Development |
| Miss KONG Shuk-fun, Fannie | Press Secretary to Secretary for Development |
| Mr YIP Hung-ping, Joe | Assistant Secretary for Development (Land Supply) 1 |
| Miss YIU Yuk, Isabel | Assistant Secretary for Development (Lantau) 1 |
| Mr WONG Chi-fai, Gary | Chief Executive Officer (Policy and |

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| | Development), DEVB |
| Miss WONG Pui-yue, Erica | Senior Executive Officer (Lantau), DEVB |
| Mr LI Fat-yeung, Nick | Project Coordinator, DEVB |
| Miss CHOW Wing-kwan, Michelle | Community Relation Officer, DEVB |
| Mr Yeung Tung-tat | Researcher (2), DEVB |
| Mr LAM Sai-hung | Project Manager (HK Island & Islands), Civil Engineering and Development Department (CEDD) |
| Mr CHAN Bun-pui, Bosco | Deputy Project Manager (HK Island & Islands), CEDD |
| Mr LO Kwok-chung, David | Chief Engineer/Islands, CEDD |
| Mr CHAU Kwok-leung, Eddie | Senior Engineer 1 (Islands Division), CEDD |
| Ms YAU Man-shan, Doris | Senior Engineer 8 (Islands Division), CEDD |
| Ms CHEUNG Yi-mei, Amy | Assistant Director of Planning/Territorial |
| Mr CHAN Sze-wai, Kevin | Senior Town Planner/Strategic Planning 6, Planning Department (PlanD) |
| Mr LEUNG Wai-cheung, Terence | Senior Town Planner/ Cross-boundary Infrastructure & Development 2, PlanD |
| Mr WONG Man-yiu, Stephen | Senior Planning Coordinator, PlanD |
| Mr CHOW Chit, Joe | Assistant District Officer (Islands)2, HAD |
| Ms Theresa YEUNG | Director, Ove Arup & Partners Hong Kong Limited |
| Ms Kathy CHAN | Co-founder, Public Communication Strategic Consultancy Limited |
| Mr Fred YEUNG | Consultant, Public Communication Strategic Consultancy Limited |
| Mr Eugene WONG | Consultant, Public Communication Strategic Consultancy Limited |

The Chairman congratulated the four Members on being awarded honours on 1 July this year, including Dr LAM Kin-ngok, Peter who was awarded the Gold Bauhinia Star, The Honourable MAK Mei-kuen, Alice and

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The Honourable YIU Si-wing who were awarded the Bronze Bauhinia Star, and Mr YU Hon-kwan, Randy who was awarded a Medal of Honour.

2. The Chairman said that since Mr LO Hong-sui, Vincent had retired from the Chairman of Airport Authority Hong Kong (AAHK) and resigned from the position as the Member of the Lantau Development Advisory Committee (LanDAC), the Government had appointed Mr SO Chak-kwong, Jack, the new Chairman of the AAHK as LanDAC Member. Mr SO had participated in the workshop of the LanDAC earlier on 19 September, but was unable to attend this meeting due to other commitment.

3. The Chairman welcomed the three new ex-officio members, namely Mr HON Chi-keung, Permanent Secretary for Development (Works), Mr WONG Wai-lun, Michael, Permanent Secretary for Development (Planning and Lands), and Mr CHUNG Kum-Wah, Daniel, Director of Civil Engineering and Development. In addition, the Chairman welcomed Ms LI Chi-miu, Phyllis, Deputy Director of Planning/Territorial, for representing the Director of Planning to attend the meeting for the first time.

Agenda Item 1: Confirmation of the Minutes of the Last Meeting

4. The minutes of the last meeting were duly revised according to Members' comments and had been distributed to Members for their perusal prior to the meeting. There being no further comments from Members, the Chairman announced the confirmation of the minutes of the last meeting.

Agenda Item 2: Matters Arising

5. The Chairman said that as all the matters arising from the last meeting had been dealt with and reported under the post-meeting notes of the last minutes, there were no matters arising for this meeting.

Agenda Item 3: "Planning, Engineering and Architectural Study for Topside Development at Hong Kong Boundary Crossing Facilities Island of Hong Kong-Zhuhai-Macao Bridge – Feasibility Study"

6. The Chairman said that the "Planning, Engineering and Architectural Study for Topside Development at Hong Kong Boundary Crossing Facilities Island of Hong Kong-Zhuhai-Macao Bridge – Feasibility Study" (the Study) had already commenced. He invited Ove Arup & Partners

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HK Ltd. (the Consultant) to brief Members on the progress of the Study.

7. Ms Theresa YEUNG, Director of the Consultant, briefed the meeting on LanDAC Paper No. 07/2015. The objective of the Study was to ascertain the feasibility of the potential commercial development and the development of other economic activities at the Hong Kong Boundary Crossing Facilities (HKBCF) Island through topside and underground development, to recommend an appropriate scope and scale of development, and to formulate an implementation and operation strategy. Given the opportunities and constraints of the HKBCF topside development, the Consultant recommended setting the strategic planning goal of the topside development as “Capturing the Bridgehead Potential” arising from the position of the island as a hub for passage of local residents, air passengers, and incoming/outgoing passengers and goods transiting via the Hong Kong-Zhuhai-Macao Bridge (HZMB), which will bring business opportunities. Based on overseas case studies of bridgehead economic development and preliminary research and analysis on market positioning, the Consultant initially considered that the following six industries had development potential within the area: tourism, retail, creative industries, MICE (meetings, incentive travels, conventions and exhibitions), business and professional services, as well as logistics. The development concerned would create synergy with the North Commercial District (NCD) on the airport island rather than competition. The Consultant also suggested facilities such as hotels, restaurants and small-scale conference venues to support the development of the convention and exhibition (C&E) industry. In addition, the Consultant also suggested strengthening the development of business and professional services to bring about long-term economic growth for Hong Kong and better employment opportunities for young people.

8. The Consultant proposed that the initial development theme of the topside development would be “The World Converging” featuring three core elements: (1) “Experiencing Hong Kong and the World”: bringing the World to Hong Kong, and at the same time showing Hong Kong to the World, to inspire innovations and exchange of ideas; (2) “Business Launchpad”: providing offices and business hotels with conference/multi-functional facilities with the aim of capturing the business opportunities and fostering business growth in Hong Kong and the Pearl River Delta (PRD) Region; and (3) “Logistics Support”: taking advantage of the proximity to the airport and cross-boundary strategic road link and to develop logistics services focusing on high value-added markets. Ms YEUNG said that during the first stage of community engagement, the related industries had been consulted about the three core elements. They initially considered that the HKBCF Island was

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suitable for the development of high value-added logistics facilities, offices and retail facilities, and hoped that the proposal could be implemented as soon as possible. They also pointed out that the development should have an appropriate scale in order to attract users and consumers.

9. Ms YEUNG added that according to preliminary assessment, the total floor area of topside and underground space for commercial development on the HKBCF Island could be about 300 000 to 500 000 square metres, which would be subject to further studies on the location, area and boundary of the developable areas. Furthermore, the Consultant would also study the transport connectivity between the HKBCF Island and the airport island as well as north Lantau (Tung Chung New Town or the proposed Siu Ho Wan reclamation area).

10. A Member said that professional services currently provided by the Mainland, for examples, legal, accounting and government services such as registration still could not fully fulfil international requirements, so we could consider providing relevant facilities on the HKBCF Island to help international investors understand the investment environment in the Mainland and undertake some of the business transactions in Hong Kong. That Member suggested exploring the needs of foreign companies and individual investors for relevant services in the Mainland, particularly in the PRD region.

11. Moreover, that Member opined that creative workshops could hardly sustain on the island unless low-rent arrangements were provided for them. Besides, he asked whether there would be night-time activities at the HKBCF Island. Finally, he suggested providing facilities such as staff restaurants for those working on the island.

12. A Member hoped that the Consultant could clarify the tourism positioning of the topside development on the HKBCF Island. He opined that since cross-boundary passengers would only stay on the HKBCF Island for a short period of time, it was unrealistic to develop tourist attractions on the island. The HKBCF Island should also not be regarded as a tourist destination. He pointed out that the existing hotel facilities in Lantau were insufficient to meet the needs of exhibitions or other events. When the airport's third runway was commissioned, the number of overnight visitors to Hong Kong would increase. The development of the second phase of the AsiaWorld-Expo (AWE) would also call for additional hotel facilities. Therefore, he preferred to position hotel development as a major land use on the HKBCF Island. He also advised that the Consultant should understand the

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development of the airport and the AWE, as well as the hotel facilities planned in Lantau in the future when considering the types and sizes of hotels to be provided on the HKBCF Island.

13. That Member opined that the HKBCF Island could serve as a bridgehead for those international enterprises having business connections in the western part of Guangdong Province by facilitating them to set up offices on the island. As for the retail industry, he proposed to build a boundary shopping mall on the HKBCF Island, making it easy for visitors to buy daily necessities or store their goods, without shopping in Tung Chung or the urban areas during their brief transit, so as not to disturb the daily lives of Hong Kong people or compete with the famous brand stores in the NCD of the airport island. That Member also pointed out that the MICE industry would be the key area of focus for tourism in Hong Kong. Despite Hong Kong's advantages in terms of providing C&E services and holding concerts, the urban area might not have sufficient land for building C&E facilities. With the commissioning of the airport's third runway and the HZMB, he proposed to provide C&E facilities on the HKBCF Island upon developing the second phase of the AWE to create synergy.

14. Ms Theresa YEUNG's responses to the above opinions were as follows. Regarding business and professional services, Ms YEUNG said that they would conduct a detailed study on the PRD's service needs and understand the situation of the enterprises with business connections in the PRD region. They hoped that the topside development would facilitate the economic development on both sides. As for the creative workshop, the initial concept was to focus on items unique to Hong Kong, such as handicrafts and creative work, providing a platform for young people to produce creative work or start business. The Consultant understood that young people might not be able to afford the high rents, so the study on implementation mechanism would consider actual arrangement or whether support should be provided. As for catering, Ms YEUNG agreed that the facilities should support passengers, visitors and staff working on the island. She expected that besides hotels or other catering facilities, commercial organisations might provide employees with dining facilities. Ms YEUNG stressed that the actual area usable for commercial development on the HKBCF Island would depend on transport connectivity. In particular, completely separated roads and walkways to segregate transit passengers and other visitors had to be provided inside the closed area. Factors such as construction cost and economic benefit also had to be considered. The Consultant would conduct detailed studies on these aspects.

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15. Talking about the business activities at night on the HKBCF Island, Ms YEUNG said there was no plan on such arrangement at the moment, but she pointed out that the population of Tung Chung would increase by more than 100 000 under the Tung Chung East Extension project. If the HKBCF Island could be connected to Tung Chung by transport links, a sufficient flow of people would go to the island to support business activities at night in the future. As regards the tourism positioning of the HKBCF Island, Ms YEUNG pointed out that one of the proposed directions was to facilitate MICE on the island, rather than turning it into a traditional tourist destination. She hoped that the HKBCF Island would serve as the first stopover for passengers who would then go to other tourist spots in Lantau or Hong Kong, using the facilities and information available on the island.

16. Ms YEUNG added that they would study how the HKBCF topside development would match the development of the AWE. Statistics showed that there were 3 594 hotel rooms in Lantau, with an occupancy rate of 88% in 2015. In 2014, Hong Kong received a total of 60.8 million visitors, up 12% year-on-year. Apart from Mainland visitors, the number of visitors from the other Asian countries like Japan, South Korea also grew. Ms YEUNG hoped that passengers coming to Hong Kong via HZMB would consider Lantau as a destination. The Consultant also noted the future growth of C&E services of the AWE. However, the existing number of hotel rooms was insufficient, so the preliminary concept was to provide 3- to 4-star hotel facilities on the HKBCF Island to meet the needs of MICE tourism.

17. The Chairman added that the number of hotel rooms available in Lantau in 2015 mentioned by Ms YEUNG did not include the new hotel currently being implemented by the Hong Kong Disneyland Resort (HKDL) and the Tung Chung site sold by the Government earlier that could provide 1 200 hotel rooms.

18. The Chairman briefed Members on the land supply in Lantau, wherein the topside development on the HKBCF Island could provide a gross floor area of 300 000 to 500 000 square metres; the first piece of land for hotel development on the 10-hectare NCD of the airport island would be put up for tender this year or early next year, and the rest would also be released in stages. The Tung Chung New Town Extension would provide about 850 000 square metres of commercial floor area for office/retail/hotel uses. A study was underway to develop the topside of Siu Ho Wan Depot for residential purpose. The Government would also actively consider reclamation at Sunny Bay.

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However, since that area was located along the flight path and would be affected by aircraft noise, it was not suitable for residential use and therefore would be used for commercial and entertainment purposes. The Chairman said that the positioning of the various development areas in north Lantau was being studied to ensure that there would be no overlapping of functions.

19. A Member said that the hours to allow immigration clearance would have a great impact on the planning for the topside development. Without 24-hour passenger clearance, it would be difficult to attract visitors. The Consultant also needed to study in detail whether the HKBCF Island had adequate transport facilities to meet the demand of passengers or local residents for 24-hour access to or from the island. In addition, according to the Member's understanding, the HKDL had the right to object to the development in the vicinity of the Resort. He hoped that the Administration would negotiate with the HKDL prior to planning and development.

20. Miss CHU Man-ling, Cathy, Commissioner for Tourism, expressed that the agreement relating to Phase 1 of the HKDL involved certain restrictions on heights, buildings and uses for the land in the vicinity of the Resort. She considered that the most important issue at the current stage was to consider clearly the positioning of Lantau development. Details of future development could be discussed subsequently.

21. Noting that a number of studies were being conducted on the development of Lantau, Miss CHU suggested that the Consultant should consolidate the various studies in due time, summarise the different types of potential commercial development in Lantau, and list out information on similar policies and commercial development plans of neighbouring cities for comparison, so as to determine the positioning of Lantau development. For instance, the development of free trade zones in the Mainland might influence the intention of enterprises to set up offices on the HKBCF Island. She agreed with Members' views that visitors would only stop over at the HKBCF Island for a short while and might not tour around and shop on the island. Besides, Miss CHU opined that too many development concepts had been proposed, where they were not able to highlight the characteristics of Hong Kong. She suggested selecting one or two dedicated development projects in which Hong Kong had comparative advantages on and could differentiate from other PRD cities to make the development more representative.

22. The Chairman added that the rationale of imposing the restrictions on the development in the vicinity of the HKDL was to preserve the outlook of

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the surrounding environment from the Resort. Under the current development proposal, except that the Sunny Bay reclamation which might be affected by the restrictions, other developments at Siu Ho Wan, Tung Chung East and north of the airport island would not be affected. Future developments such as artificial islands in the central waters, East Lantau Metropolis, and the development at northeast Lantau might have a greater impact on the HKDL. The related issues would be addressed during planning process. Besides, the Chairman advised that the relevant bureaux were dealing with the customs and immigration arrangements on the HKBCF Island. He also requested the Consultant to follow up on the development situation and plans of neighboring regions in the Mainland in order to achieve better synergies.

23. Ms Theresa YEUNG said that the Consultant had met with the HKDL during the first stage of consultation about topside development on the HKBCF Island. They had introduced the initial concepts of topside development, and learned about the development plan of the hotel in the HKDL. Ms YEUNG stressed that they would keep close contact with stakeholders, including the HKDL, the AWE and other operators.

24. Ms LI Chi-miu, Phyllis, Deputy Director of Planning said the PlanD and the Consultant had conducted a study on the positioning of the HKBCF Island and interviewed the related industries. As the HKBCF Island was a boundary-crossing facility, they hoped to make it a destination for gathering visitors there. Upon the completion of the HZMB and opening of the Tuen Mun-Chek Lap Kok Link (TM-CLKL), and together with the Hong Kong-Shenzhen Western Corridor, the HKBCF Island would emerge as a confluence for traffic and flows of passengers and goods in the PRD region. Coupled with the advantage due to proximity to the Hong Kong International Airport (HKIA), it was suggested to position the HKBCF Island as a “double-gateway” with the development theme of the “The World Converging”. Ms LI added that one of Hong Kong’s edges was commercial services, and stakeholders in the industries generally considered it suitable to set up offices on the HKBCF Island to provide professional services for international enterprises exploring the Mainland market or Mainland companies going global through Hong Kong. As for the retail business, Ms LI said the concerned concept was to make use of the advantages of the double-gateway such that visitors would experience the internationally renowned brands and services available in Hong Kong. With the HKIA at its neighbourhood, Ms LI suggested to consider developing logistics industry that required high security within the closed area of the HKBCF Island.

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25. A Member considered it necessary to develop a transport network to make it easy for Lantau residents to work locally. He pointed out that there were currently only a few bus routes between Tung Chung and the airport island, which could not meet the needs of the increasing population in the future. Therefore, he recommended developing a mass transit railway system to link Tung Chung and the airport island, which would be environmental friendly and could quickly transport the labor force to the airport island during peak hours. Furthermore, some residents suggested building a branch line to the HKBCF Island from the railway station in Tung Chung Town Centre and with a connection to the future Tung Chung West Station. In addition, that Member said that when planning for development, the Administration should count the floating population including people working and visiting the district in addition to the resident population. He reiterated that development had to give first priority to transport infrastructure.

26. That Member was also concerned about the distribution of commercial uses on the HKBCF Island, the airport island and Tung Chung district. He supported the proposed three core elements, particularly the concept of developing creative workshops, which could enable young people to develop their creativity and give them a chance to climb up the social ladder. That Member reminded the Consultants to create synergy among different developments, including the second phase development of the AWE. He proposed to consider building performance venues for operas or world-class concerts. He also considered that there had to be sufficient parking spaces to serve the needs of the AWE as a venue for exhibition, examination and performance. Furthermore, that Member agreed with the need to understand the development of neighbouring areas, and pointed out that the developments in PRD cities were changing continuously. Therefore, the Government should maintain close liaison and co-operation with the Mainland cities to avoid duplication in development projects. He said that Hong Kong would retain its competitive edge in terms of provision of services over the next 20 or 30 years, so it would be worth to set up offices on the HKBCF Island to match with the needs of the Mainland.

27. A Member opined that we should develop large projects with distinguishing features and take into account market demand in planning for any developments. As such, the Consultant had to seek opinions from the industries and understand their business conditions.

28. A Member suggested that the Consultant should draw upon the experience of Singapore and South Korea. As far as he knew, Singapore

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mapped out plans for new districts in accordance with the concept of ecosystem and developed business tourism in partnership with surrounding areas. He noted that business travellers coming to Hong Kong would only stay for a short period of time due to factors such as hotel provisions, etc., unlike business travellers to other regions who would bring along their families. That Member suggested the topside development should aim at attracting business travellers to bring along their families and extend their stay. Moreover, that Member considered that if there were inadequate business facilities after the opening of HZMB, business travellers to Hong Kong might stay in hotels outside Hong Kong and in turn reduce their spending in Hong Kong.

29. A Member agreed with the idea of developing the HKBCF Island into a distribution centre for art works and valuables. He thought that the HKBCF Island should be positioned for the development of high-end industries rather than creative workshops. Therefore, during the consultation period, creative workshops should not be given a high priority. He suggested using the showcase space of the HKBCF Island for young people to hold regular exhibitions and promotions.

30. A Member pointed out that during the period between the opening of the HZMB and the completion of the third runway at the airport in 2023, the airport's runways would be insufficient to meet the market demand. It would be possible for Hong Kong to cooperate with neighbouring airports, for example, transferring budget flights or freight services from Hong Kong to the airports in Zhuhai, Macao and Shenzhen. Cooperation was also possible in cross-boundary e-commerce. The HKIA which had advantages in international flight service could focus on serving international flights while airports in neighbouring regions could serve flights to remote Mainland cities. The above diversion would increase the demand for immigration and customs service on the HKBCF Island. Therefore, sufficient space should be set aside to meet the needs of cross-boundary passengers from those airports and speed up the flow of passengers and goods. That Member also proposed to consider the coordination and division of work between the HKBCF Island and the Zhuhai/Macao Boundary Crossing Facilities Island and promote the use of the HZMB by vehicles among the three places.

31. As regards the idea of creative workshops, that Member pointed out that, according to the experience of the other places, one of the reasons for the failure of creative industries was high rent. For successful examples, the rents differed widely in different parts of the same district, where different industries could co-exist and create synergies and complementarities. But the

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rent would be relatively high for a new development region like the HKBCF Island, so he believed it would be difficult to develop creative industries on the island. On the other hand, that Member opined that corresponding services were needed at the boundary crossing facilities on both sides, so the HKBCF Island should allocate more space for cross-boundary services.

32. A Member considered that the HKBCF Island had edges both within and outside the boundary. Its quick transport access to the airport and the HZMB made it suitable for the development of high-end industries while industries that called for low rents or financial support should only account for a small proportion. He proposed to develop industries on the island, including red wine storage or transaction services, horse racing or soccer betting services, and venues for various forms of performing arts.

33. A Member said that as the HKIA had the advantages of having a number of international flight routes and connections to the world, it was possible to develop trade port, high-end industries, logistics industries and industries requiring a high level of warranty on the HKBCF Island. He suggested that the Consultant should make reference to “The Circle” project at Zurich Airport in 2014, which placed the most important services next to the airport to relieve the pressure on urban commercial land on the one hand and facilitate business travellers on the other hand.

34. Regarding the development of Lantau, that Member said that currently there was no sufficient commercial land to match the development of the bridgehead economy. Therefore, he suggested developing a commercial district covering an area of around 20 million square feet at the southern part of the airport island and building a railway station there to link with Tung Chung Town by rail to improve the current transport link and attract more people to work on the airport island. He also suggested making reference to the transport connection facilities including high-speed rail, regional railway and bus etc., of the Shanghai Hongqiao International Airport.

35. As regards supporting facilities, that Member considered it necessary to build additional hotels to cope with the needs of overnight visitors (including business travellers). Information showed that NCD on the airport island alone needed 10 000 hotel rooms. He said that the estimate of demand for hotel rooms should count not only the number of visitors but also business travellers and visitors coming to Hong Kong to attend concerts. Another supporting facility was parking spaces, particularly those to meet the needs of

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high-spending visitors driving private cars to Hong Kong via the HZMB.

36. A Member considered the development of the HKBCF Island should not be planned based on the concept of transport interchange only. Instead, the island should be positioned together with Lantau as the largest transportation hub in South China. In terms of cultural industries, that Member pointed out that many Mainland business people were participating in art auctions around the world and the HKBCF Island could provide art warehouses and exhibition venues. For creative industries, that Member opined that if the Government was willing to subsidise these industries, space could be provided on the HKBCF Island for them to display their work. Due to high rents on the HKBCF Island, however, workshops were not suitable. He proposed to consider setting up workshops in the vicinity of Tung Chung and transporting the exhibits/work to the island for display or sale. Furthermore, he suggested opening showrooms or experiential stores on the HKBCF Island. If visitors placed orders for their favorite products, the products would be delivered to their homes. That Members also recommended setting up business activities and retail facilities within the closed area, so that visitors could do shopping or business without having to enter Hong Kong. Finally, he reminded the Consultants that external transport connectivity must be properly planned for the HKBCF Island to ensure speedy diversion of the passenger flows.

37. A Member raised the issue of the movement of the reclaimed land of the HKBCF Island and he hoped that the relevant policy bureau would provide explanations as soon as possible in order to allay public concerns. With regard to traffic arrangements on the HKBCF Island, that Member opined that it might not be the most cost-effective way to allow only shuttle buses and vehicles with licence plates registered with both Hong Kong and Guangdong authorities to use the HZMB. Allowing more vehicles to enter Hong Kong could increase economic benefits. He suggested the Government to further consider the policies of Hong Kong and the Mainland on visitors driving into the territory.

38. Another Member also expected the relevant policy bureau to explain as soon as possible the movement of reclaimed land for the HKBCF Island. As to the planning for the development of the HKBCF Island, he suggested that the Consultant should pay special attention to the transport link between the island and Tung Chung, to avoid the current problem of connectivity from Tung Chung to the airport. In addition, he pointed out that the study on topside development on the HKBCF Island would be completed in

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2017 and it meant that the HZMB would have been in operation before the start of construction of the development projects there. He therefore opined that the Consultant should consider how to change the established habit of visitors from only crossing the boundary via the HKBCF Island to attracting them to make better use of the commercial facilities on the island.

39. A Member said that many development concepts had been implemented in the Mainland or around the world. These concepts included creative industries for the youth, showcase, experiential store, free trade zone, bonded area, etc. If similar projects were implemented on the HKBCF Island a few years later, it would be lagging behind other places. He said the HKBCF Island was not large and opined that for establishing a leading position, one distinctive project should be selected to facilitate the development of the island into a window to the world by drawing upon the creative cases of other places, instead of copying their broad development models.

40. The Chairman thanked Members for their comments and asked the Consultant to take them into account when conducting the Study. The Chairman said that some of the comments involved multiple policy bureaux or policies of Hong Kong, Macao, and the Mainland, and the Government needed time for consideration and discussion.

Agenda Item 4: Progress Reports of Subcommittees

41. The Chairman invited the Subcommittee (SC) chairpersons to brief Members on their respective progress reports.

Progress Report of the Economic and Social Development Subcommittee (LanDAC Paper No. 09/2015)

42. Dr LAM Kin-ngok, Peter, Chairperson of the Economic and Social Development Subcommittee (ESD SC), briefed the meeting on LanDAC Paper No. 09/2015. Dr LAM said the ESD SC held joint meetings with the Planning and Conservation Subcommittee (PC SC) on 29 May and 10 September 2015. At the meeting in May, the ESD SC discussed educational services provided by the Government and non-government bodies for Lantau and provided comments on the study on the “Recreation and Tourism Development Strategy” and the preliminary analysis of the current situation presented by the Consultant.

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43. Dr LAM moved on to say that the ESD SC was briefed on the proposal on “Recreation and Tourism Development Strategy” for Lantau submitted by the Consultant at the meeting in September. With reference to the tourism facilities in cities in the PRD region, the Consultant drafted the content of planning framework as follows: (1) proposed six themes (including Excitement, Splurge and Indulge, Ecology, Culture and Heritage, Adventure, and Relaxation and Wellness), and 11 recreation and tourism areas (including Sunny Bay, Mui Wo, Aerotropolis, Siu Ho Wan, Sunset Peak, Tung Chung Valley, Tai O, “Zen”, Pui O/Chi Ma Wan, Cheung Sha, and Soko Islands) and three places of interest (including Fan Lau, Shui Hau and Yi O); (2) proposed to provide experiential connections between the locations for transport services; and (3) with the prerequisite of conservation, increased the attractiveness of country parks for green tourism, recreation and education purposes.

44. After discussion, the ESD SC endorsed the broad direction of “Recreation and Tourism Development Strategy”, and at the same time made some suggestions, including setting up a yacht club, developing large-scale performance venues, and increasing the number of camp sites. The Consultant said they would further analyse the suggestions concerned and sort out effective projects, develop short, medium and long-term plans for implementation; and select suitable projects for preliminary feasibility study, financial viability and broad technical assessments.

45. In addition, the ESD SC also endorsed the “Proposed Social Development Strategy” at the meeting in September. The ESD SC agreed to develop Lantau into a place for living, work and leisure. The major proposals under the social development strategy in Lantau were to attract more talents to facilitate a balanced development of economy and employment in Lantau; provide appropriate traffic and transport facilities inside and outside the district to meet the needs of development, bringing convenience to residents in their daily life and work; and cater for the needs of the rural and remote areas in Lantau. The ESD SC Members also came up with several proposals for improving the social development strategy: (1) developing university or tertiary education courses relating to economic and commercial activities in Lantau for residents there to study and practice locally, and work locally after graduation; (2) geared to Lantau’s economic activities, providing suitable short-term accommodation facilities; and (3) with reference to the model of “Energizing Kowloon East Office”, setting up a dedicated office to centrally handle matters across departments or policy bureaux to facilitate integration or formation of policies.

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46. Members had no further comments or questions on the progress of work of the ESD SC.

**Progress Report of the Planning and Conservation Subcommittee
(LanDAC Paper No. 08/2015)**

47. Mr LAM Siu-lo, Andrew, Chairperson of the Planning and Conservation Subcommittee (PC SC), briefed the meeting on LanDAC Paper No. 08/2015. The PC SC held joint meetings with the ESD SC on 29 May and 10 September 2015. At the meetings, the PC SC received views on Lantau development from the United Committee of North West Lantau Island, was briefed on the initial economic development concepts under the “Consolidated Economic Development Strategy for Lantau and Preliminary Market Positioning Study for Commercial Land Uses in Major Developments of Lantau”, and discussed the overall spatial planning and conservation concepts for Lantau. The proposed overall spatial planning and the conservation concepts were as follows: (1) North Lantau Corridor focusing on strategic economic and housing development; (2) the North-eastern Lantau Node for leisure, entertainment and tourism development; (3) the East Lantau Metropolis as long-term strategic growth area; and (4) the predominant part of Lantau for leisure/recreation, cultural and green tourism on the premise of strengthening of ecological and cultural conservation. In the remaining areas, the proposal suggested exploring suitable development space, making good use of government land, such as consolidating the correctional facilities and exploring the development of caverns and underground space. The above planning had to be supported by strategic traffic and transport infrastructure and other infrastructure. The concept of traffic and transport infrastructure included railway and road systems, complemented by appropriate water transport. It was hoped to eventually develop two rail- and road-based transportation corridors linking the Northwest New Territories, Lantau and the main urban areas. In terms of roads, Lantau could be connected via the HZMB, TM-CLKL, Hong Kong-Shenzhen Western Corridor and Shenzhen Bay Bridge to Shenzhen and the west of PRD region.

48. Mr LAM added that according to the preliminary information available, the major development projects could be roughly categorised into short-, medium- and long-term projects. Short-term projects included the HZMB and the TM-CLKL currently under construction, as well as the projects being studied, such as the NCD on the airport island and topside development at the HKBCF Island; medium-term projects included large-scale projects now

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being studied, such as Tung Chung New Town Extension, topside development at Siu Ho Wan Depot, Siu Ho Wan reclamation and surrounding developments, Sunny Bay reclamation, and the airport's three-runway system (3RS), as well as a number of transport infrastructure projects that support such developments; and long-term projects included the "East Lantau Metropolis" and the rail/road corridor linking up the Northwest New Territories, Lantau and the main urban areas. As for population, Mr LAM said that the development projects under the Tung Chung New Town Extension would be completed in stages after 2023 and the planned population of Lantau would increase from the current 110 000 to about 300 000. If the topside development at Siu Ho Wan Depot and the East Lantau Metropolis involving housing development were all to be implemented, and the more aggressive plan for East Lantau Metropolis to accommodate 400 000 to 700 000 people would be adopted, Lantau's population was expected to grow close to 1 million in the long term. In addition, if all the proposed development projects were to be implemented, according to preliminary estimation, the number of jobs would increase to about 270 000 in the medium term and to 470 000 until after the implementation and completion of all the projects.

49. In terms of conservation, Mr LAM stated that the predominant part of Lantau could be used for recreation, leisure, cultural and green tourism, and on the premise of conservation, the PC SC recommended making good use of the country parks, connecting the existing and proposed marine parks into a network, and adding appropriate elements of green tourism and recreation to promote ecological and cultural tourism, and education.

50. Mr LAM concluded that the PC SC had endorsed the proposed concepts of overall spatial planning and conservation for Lantau, and the next step of work would be to integrate the latest results of relevant studies, suggestions from the other Subcommittees and the analysis resulting from broad environmental assessment to form an important part of the overall planning, conservation, economic and social development strategies to be formulated by the LanDAC for the development of Lantau.

51. Mr LAM said that a Member opposed the proposal to set Lantau's maximum population at up to 1 million. That Member contended that this development scale would need to be supported by mass transportation system facilities, which would definitely lead to large-scale development of South Lantau, seriously affecting and violating the concept of conservation in South Lantau. That Member considered it more desirable to carry out Kau Yi Chau reclamation first, which required less transport infrastructure. The rest of the

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proposed development projects could be further considered depending on the circumstances.

52. In response to that Members' concern, Ms LI Chi-miu, Phyllis, Deputy Director of Planning, said that the relevant developments were long-term plans beyond 2030. The PlanD had categorised the development projects into short-, medium- and long-term plans. All the development projects would be progressed step by step depending on their respective scale, nature, supporting facilities, feasibility and financial requirements, etc. Ms LI went on to say that only conceptual planning was provided at this stage. After the LanDAC formulated an overall development strategy, the Administration would conduct detailed studies on the initial proposals. According to the existing planning and conservation concepts, developments were mostly located in the new development areas, including North Lantau reclamation area and the East Lantau Metropolis, and conservation would be the first priority for South Lantau, coupled with efforts to make good use of the recreation or country park resources.

53. A Member reflected the views of most of the Lantau residents that they supported the development plans for Lantau, and he also agreed with the above development concepts. However, Lantau Island had to have well-developed transport infrastructure to support the developments in Lantau and the surrounding areas. Therefore, he opined that a ring road around the island should be planned and developed for Lantau in the long term.

54. A Member said that as suggested in the concepts, marina would be built in Lantau. He opined that as development of transport infrastructure took time, the Administration could consider setting up marina near tourist spots such as resorts to facilitate access by boats and temporarily ease the traffic problem.

55. A Member opined that when the Government took forward a project, they should consider other development projects at the same time so as to achieve synergy. He said, for example, that an integrated waste treatment center would be built on Shek Kwu Chau to the south of Lantau Island, and the Government should consider developing it into an educational base or a tourist landmark. In addition, that Member stressed that development of Lantau should give priority to transport infrastructure, and the current improvement works on the road bends of South Lantau Road and Keung Shan Road would only solve part of the problem for the time being, and comprehensive road

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planning should be conducted in the long run. That Member also suggested building a northwest Lantau corridor to link Tung Chung and Tai O.

Progress Report of the Traffic and Transport Subcommittee (LanDAC Paper No. 10/2015)

56. Mr LAM Chung-lun, Billy, Chairperson of the Traffic and Transport Subcommittee (TT SC), briefed the meeting on LanDAC Paper No. 10/2015. Mr LAM reported that the TT SC held the fifth and sixth meetings on 24 June and 16 September 2015 respectively. The items discussed at the fifth meeting included traffic restrictions and closed road permits arrangements in south Lantau, progress on narrow bend improvement works at Keung Shan Road and South Lantau Road, review of issue of new Lantau taxi licenses, and the progress report of the working group on agenda items such as the improvement of bus services to and from the airport and the addition of parking spaces in south Lantau. The items discussed at the sixth meeting included “Overall Spatial Planning and Conservation Concepts for Lantau - Initial Ideas on Strategic Transport Infrastructure”, “Social Development Strategy for Lantau - Traffic Improvement Proposal”, “Topside Development at HKBCF Island of HZMB - Preliminary Analysis of Transport Connectivity”, and latest progress on narrow bend improvement works at Keung Shan Road and South Lantau Road in Lantau. Mr LAM said, the arrangements for closed road permits and the improvement works at Keung Shan Road and South Lantau Road were stated in the Chief Executive’s 2015 Policy Address as short-term improvement projects. He thanked the relevant departments for their active efforts to implement these two projects, and asked representatives of the Transport Department (TD) and the DEVB to report on the latest progress of the relevant projects later.

57. Mr LAM continued to say that the TT SC agreed with the initial ideas on strategic transport infrastructure specified in the “Overall Spatial Planning and Conservation Concepts for Lantau”, and held that development should drive demand but not be driven by demand only. Most importantly, traffic and transport infrastructure should be given first priority to boost development. A successful example was the airport’s core project in which road construction drove airport development; by contrast, the lack of traffic and transport infrastructure in the early development of Tuen Mun and Tin Shui Wai had led to many problems. In addition, the TT SC considered that a long-term comprehensive plan should be formulated for the construction of traffic and transport infrastructure, and the plan should be implemented in stages in order of priorities. The long-term plan should set aside space for

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future development and developments should be progressed step by step. A TT SC Member commented that the current planning focused on the accessibility of Lantau with the airport island and western parts of Hong Kong, such as New Territories West, but connectivity with the eastern parts of Hong Kong such as Sha Tin should not be ignored. In addition to long-term planning, the TT SC also thought it necessary to provide short- and medium-term transport infrastructure and traffic arrangements for Lantau as soon as possible. Otherwise, it would be difficult to cope with the traffic demand amid tourism development. Moreover, water and land transport facilities should be provided for some remote areas of the island, such as Fan Lau, to facilitate visitors to enjoy the local natural resources. Lastly, the TT SC suggested that the Government should carry out a detailed study on overall transport infrastructure and transport arrangements as soon as possible in order to meet the needs of land use planning and socio-economic development.

58. Mrs YEUNG HO Poi-yan, Ingrid, Commissioner for Transport, reported to the meeting on the progress of issuing new Lantau taxi licenses. She said that according to statistics and public opinions received by the Government, the number of Lantau taxis was very inadequate. Therefore, TD had planned to issue new Lantau taxi licenses. Currently, there were 50 Lantau taxis. TD preliminarily studied to issue a number of new licenses equal to half of the total number of existing licenses, and was carrying out the preparatory work for tender, which was expected to be invited at the end of this year.

59. Talking about the progress of relaxation of closed roads restriction in south Lantau, Ms HO said that TD consulted stakeholders in July this year and received both supporting and opposing views. The supporting views were generally similar to those advanced by the TT SC Members. Opposing views mostly argued that this proposal would affect the natural environment in rural south Lantau; existing road designs were below standard and could not cope with the large number of vehicles; there were concerns that the addition of vehicles in south Lantau would aggravate the lack of parking spaces; and drivers from other districts were unfamiliar with the road conditions in Lantau, which could easily result in traffic accidents and damage to the cattle. Ms HO went on to say that TD, in proposing to increase the daily upper limit for coaches entering south Lantau from 30 to 50 and allow 50 private cars into south Lantau each day from Monday to Friday (except public holidays), had taken into account the road design and the road capacity to cope with the increase in vehicles. Considering that roads in south Lantau had many narrow bends, the Department would step up publicity when implementing the

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proposal by giving road tips to the applicants for private car permits, explaining to them about the road conditions, and reminding them to drive safely. Ms HO went on to say that although the parking spaces in south Lantau as a whole were sufficient to meet the demand from the increased vehicles, there would be insufficiency if all vehicles chose to park at the same location at the same time of the day. In order to ensure the smooth implementation of the proposal, TD was now considering the progressive issuance of permits to assess the impact. But whatever the measures were to be implemented, Ms HO expected that the proposal of relaxation of closed roads restriction in south Lantau could come into effect early next year.

60. As for the increase of parking facilities, Ms HO said that TD was liaising with the Lands Department to study the possibility of developing car parks on suitable vacant government lands in the form of short-term tenancy. Three lots of land in Tai O were feasible and TD would first develop the one near Yim Tin Pok Football Field as a temporary car park for about 250 parking spaces, which was expected to come into service in the middle of next year. The Administration had also identified several lots of land that could be used for car parking elsewhere in south Lantau. In addition, there were views that some abandoned agricultural land in south Lantau could be converted into parking lots. Ms HO said that as such land was privately-owned, land owners were required to apply for change of the land use so that follow-up action could be taken. The Government would actively process such applications when received.

61. Mr LAI Cheuk-ho, Principal Assistant Secretary for Development (Works) 5, reported to the meeting about the progress of narrow bend improvement works at Keung Shan Road and South Lantau Road. Mr LAI said that improvement works for 11 out of a total of 16 road bends in the first batch had been completed, and the works for the remaining road bends K1 and S4 improvement works would be completed within this year. Works for road bends S1 and K4 would be completed next year and in early 2017 respectively. As regards road bend K10, since slope works within the country park would be involved, the project needed to go through the environmental impact assessment procedure. According to the timetable set by the Highways Department (HyD) earlier, the project would be completed in March 2019. To expedite the project, the DEVB, the HyD, the Environmental Protection Department and the Agriculture, Fisheries and Conservation Department (AFCD) had held a number of discussions and preliminarily evaluated the environmental impact of the related works as minor. The HyD would try to apply directly for an environmental permit to expedite the process. The HyD

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would appoint an ecology expert at the earliest possible to examine whether there were eco-sensitive species within the area of the project to ascertain if direct application for an environmental permit could be feasible. If this way was applicable, the HyD hoped to start construction in the third quarter of next year, and complete the project by the end of 2017 at the earliest. In addition, the TD and the HyD joined some Members and locals to visit a number of narrow bends at Keung Shan Road and South Lantau Road in the middle of the year. 5 additional road bend improvement work items at Keung Shan Road, i.e., K12-K16, were suggested. According to the preliminary analysis and estimation by the HyD, the works could start progressively in early 2017 and would be completed in stages between the second half of 2017 and 2018.

62. Mr LAM Chung-lun, Billy, Chairperson of the TT SC, expected the departments concerned to step up coordination and negotiation and expedite the road bend improvement works so as to complete the works as soon as possible.

63. A Member commented that being narrow and having many bends was a long-term problem of Keung Shan Road and South Lantau Road, and from time to time vehicles would rub into roadside rocks and vehicles coming in the opposite direction had to give way. He was pleased to see the project duration could be shortened and completed in 2017 earlier than originally scheduled 2019 after coordination among the various departments. He believed that if the progress could be further accelerated, the project would earn more praise from the public. He also thanked the DEVB for the assistance. After the site visit with the departments concerned, the TT SC Members and locals had identified 5 additional road bends to improve. However, the improvement works were currently scheduled to start in 2017. He hoped that the works could commence as soon as possible to effectively improve the road bends.

64. A Member considered that apart from advising on long-term planning, the TT SC also provided advice to solve existing traffic problems. These short-term results could help obtain support from local people for the development and also enable the public to see the progress and results of the work of the LanDAC. In addition, that Members had discussed the issue of opening up SkyPier with the Transport and Housing Bureau (THB). The THB replied that after the opening of the HZMB, some visitors would be diverted to the bridge, so there was no need to further explore the proposal of opening up SkyPier at this stage. But he opined that in addition to Zhuhai and Macau visitors, passengers from other places in the PRD region would also use

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the SkyPier. As such, the HZMB would not considerably reduce the need for SkyPier. He suggested that the Administration should study the impact of the HZMB on the visitors from western parts of Guangdong Province coming to Hong Kong by land or water transport. If the impact was slight, he saw the need to open up the SkyPier for public use. He said that he would meet with the THB again on the proposal.

65. Mrs YEUNG HO Poi-yan, Ingrid, the Commissioner for Transport responded that the SkyPier was a facility of the AAHK for serving air transit passengers and therefore, whether to open up the SkyPier rested with the AAHK.

66. That Member said that he had discussed about the opening up of the SkyPier with the AAHK who was currently open to such suggestion.

67. A Member pointed out that at present air passengers were using only 30% capacity of the SkyPier, so there was room for discussion with the operator concerning opening up the facility to the public. Management measures could be taken to address the issue of carrying both air passengers and members of the public in the same ferry. He suggested allowing members of the public to take ferries to and from the SkyPier on trial, and the issue of opening up the SkyPier should not be left untouched until after the opening of the HZMB. That Member added that many mainlanders were now participating in events and examinations held at the AWE. It would be very convenient if visitors from the PRD region could go directly to Lantau by ferry.

68. A Member pointed out that, although opening up of the SkyPier was requested for long time, a clear response had yet to be received. It remained unknown for what reason or whether it was a technical problem that the SkyPier could not be opened. He hoped that the policy bureau concerned could give a clear response after the meeting, and reiterated the need to have convenient water transport in place for Lantau.

69. A Member thanked the TD for increasing the number of closed road permits for south Lantau in stages and believed such arrangement could help mitigate opposition against opening up South Lantau Road. In addition, he knew that the CEDD would add 180 parking spaces in the west of Mui Wo under the Mui Wo improvement works. Some local people suggested building a multi-storey car park by integrating the park in front of the Mui Wo Building Complex and the swimming pool, and the open car park to meet the demand. He had submitted the proposal to the Chairperson of the TT SC, and

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hoped that the proposal would be referred to the TD for consideration. Finally, he agreed with the idea of driving the overall development of Lantau by transport infrastructure.

70. A Member said that there was public concern about toll collection for Lantau Link. He suggested considering road tolls in Lantau from a macro-economic point of view, such as the impact of adjusting toll fees on the overall development of Lantau, including land sales, economic activities and social benefits and costs.

71. The Chairman noted Members' concerns on the issues of the SkyPier and Lantau road toll. The DEVB would refer these concerns to the policy bureau concerned for consideration and follow-up.

[Post-meeting note: the Secretariat (i.e. the DEVB) had referred Members' views and suggestions regarding the SkyPier and road tolls to the THB. The THB's reply was as follows:

Located within the restricted area of the HKIA, the SkyPier is a facility owned and managed by the AAHK. Since the SkyPier was set up primarily for the provision of convenient air-to-sea/sea-to-air speedy ferry services between Hong Kong and the PRD region to transit passengers, no customs, immigration or quarantine facilities were therefore arranged for the terminal.

There are currently four berths at the SkyPier, serving about 98 cross-boundary speedy ferries that travel between the airport and the PRD region/Macau ports on a daily basis. The terminal is running close to its full berthing capacity during the weekdays from 9:00 a.m. to 5:00 p.m. In 2014, the SkyPier recorded a throughput of 2.76 million cross-boundary passengers. During the past five years (2010 to 2014), the SkyPier has been reporting a compound annual growth rate of approximately 5% for the number of air-to-sea/sea-to-air transit passengers. Based on consultancy study conducted by the AAHK, the HKIA will see a continuous rise in the demand for air-to-sea/sea-to-air transit services. The AAHK foresees that there will be longer peak hours and increasing number of users for the facilities at the SkyPier. As a result, its tourist carrying capacity is likely to become increasingly strained. Added with restrictions posed by its limited space, further improvement for terminal capacity is considered difficult. Furthermore, based on conditions set out in the Environmental Permit for the 3RS project, an average of 99 speedy ferries is the daily cap for the SkyPier, which applies to the entire construction stage of

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the 3RS project as well as the period before designation of the proposed marine park. Currently, the number of cross-boundary speedy ferries serviced at the SkyPier per day is close to the cap under the Environmental Permit. Therefore, there is very limited room available for additional ferries. In light of the above, the AAHK will actively study how to utilise the SkyPier more efficiently to provide transit services. There is no plan to proceed with the proposal for the opening up of the SkyPier for general immigration purposes for the time being.

The Government considers the planning and provision of cross-boundary ferry terminals on the basis of the overall needs of Hong Kong. The two cross-boundary ferry terminals currently under governmental management, i.e. the Hong Kong – Macau Ferry Terminal and the Hong Kong China Ferry Terminal, are still adequately equipped to meet the estimated service demand for cross-boundary ferry service in the foreseeable future. In light of which, we have no plans to set up a third cross-boundary ferry terminal under governmental management. Meanwhile, under the current governmental policy, private operators are already allowed to provide cross-port ferry services. In November 2015, the Government leased the Tuen Mun Ferry Terminal to a private operator under a commercial lease, allowing the operator to provide cross-boundary ferry services between Tuen Mun and Macau (the operator can also choose to provide services between Tuen Mun and cities in the PRD region of the Mainland). The services concerned are expected to commence from mid-February 2016 at the latest.

With regard to the suggestion for utilising the SkyPier as a local terminal, given the fact that there are a number of public transportation options already available between the airport and all districts of Hong Kong, we are of the view that there is no imminent need to provide local ferry services to connect with the airport. The financial viability of such services is also questionable. In case there are any operators having interests in providing local ferry services at other locations in Lantau, applications can be made to the TD.

Besides, the toll rates for Lantau Link have remained unchanged ever since it was put into service in 1997. With a view to finding a balanced solution, we will continue to review the toll collection scheme for Lantau Link based on the existing mechanism, taking into account various factors, including the effect of toll rates on traffic volume, economic conditions, the acceptance of the general public and their ability to pay tolls. The governments of Guangdong Province,

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Hong Kong and Macau are currently in the process of negotiating cross-boundary traffic arrangements for the HZMB, which include the toll rates for cross-boundary vehicles. The negotiation among the aforementioned governments is still underway.]

**Progress Report of the Public Relation and Engagement Subcommittee
(LanDAC Paper No. 11/2015)**

72. Mr HA Wing-on, Allen, Chairperson of the Public Relation and Engagement Subcommittee (PRE SC), briefed the meeting on LanDAC Paper No. 11/2015. Mr HA said that the PRE SC held meetings on 12 April and 17 August 2015, during which the progress of work was reported. From 1 January to 4 August 2015, the PRE SC together with government representatives attended 23 promotional activities for Lantau development, and also participated in the promotional activities relating to Lantau development organised by three different organisations/local community groups to share and exchange views with the public on Lantau development. The PRE SC had referred the views collected in the promotional activities to other SCs of the LanDAC or relevant government departments for consideration or follow-up. In addition, Secretariat of the PRE SC had distributed leaflets and posters to the offices of District Council Members, local community groups and housing estates in Lantau. A promotional video was also in the final stage of production.

73. Mr HA added that a public relations consultant commissioned by the CEDD commenced its work on 18 June and was expected to draft comprehensive strategy and plan on public relations, publicity and consultation in October this year. The public relations consultant had briefed members at the fifth meeting of the PRE SC on the first draft of public relations strategy, and the members had also given comments on the draft. The public relations consultant would be responsible for arranging and following up promotional activities in relation to the future development of Lantau. They would also assist in the preparation of the First-term Work Report of the LanDAC to report to the public on the Committee's work, and plan to carry out promotional activities to publicise the "Lantau Development Plan" in the first and second quarters of 2016. The PRE SC planned to hold a special meeting in October to further discuss proposals of the public relations consultant. With regard to branding, the public relations consultant had drafted a number of proposals, and the PRE SC Members had also provided their initial views.

74. A Member said that the brand and slogan suggested by the public

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relations consultant only highlighted individual development directions, failing to cover the advantages of the overall development of Lantau. He suggested that after consolidating the LanDAC's work report in October, the public relations consultant should consider holding an open competition to engage the public in designing the brand and slogan. In particular, young people should be encouraged to express their views and display their creativity.

75. A Member considered that when promoting Lantau development, a wide variety of activities should be conducted to promote public engagement in addition to static publicity, especially the participation of young people so as to increase public recognition.

76. A Member opined that before implementing long-term development plans for Lantau, the Administration should first carry out some local improvement works, allowing residents to see results in the short term and experience improvements to the community brought about by Lantau development.

77. Another Member agreed that public concerns would easily arise if publicity for the development of Lantau focused too much on the long-term large-scale plans. He opined that residents would pay more attention to the results achieved in short term since the establishment of the LanDAC. Hence, he suggested giving publicity to the achievements attained in current stages, letting the public know that development was underway, so as to increase the level of support among the public.

78. Mr HON Chi-keung, Permanent Secretary for Development (Works), said that Members' views were same as the direction of future promotional activities, and recognised the importance of public engagement, which would make the public feel that they were involved in the planning of Lantau development. Mr HON added that the Administration was planning to organise or support a number of promotional events and public engagement activities in the coming year.

79. Mr LAM Chung-lun, Billy, said that as recorded in Appendix 2 to LanDAC Paper No.11/2015, he was queried by a District Council member of being appointed as the LanDAC Member in the capacity of a representative of environmental organisation, and the wide representation of the LanDAC was therefore in doubt. Mr LAM clarified that although he was involved in the work of environmental protection many years ago, he did not represent the field

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of environmental protection. He joined the work of the LanDAC in his personal capacity.

80. The Chairmen thanked the Chairpersons of the SCs for their reports. The meeting adopted the work progress reports of SCs, including the development concepts and strategies proposed by the SCs.

[The Honourable MAK Mei-kuen, Alice left the meeting at this juncture.]

Agenda Item 5: Progress Report of Strategic Studies and District Improvement Items and Work Plan

81. Mr LAI Cheuk-ho, Principal Assistant Secretary for Development (Works) 5, briefed the meeting on LanDAC Paper No. 12/2015. Mr LAI outlined the progress of the major strategic studies. Among these, the Outline Zoning Plan for the Tung Chung New Town Extension was expected to be gazetted at the end of this year; and the studies on the topside development at HKBCF of the HZMB and Siu Ho Wan reclamation had begun. Besides, the studies on Sunny Bay reclamation and East Lantau Metropolis would be carried out starting from the first half of 2016 if the Legislative Council approved the funding application

82. Mr LAI added that three short-term topical strategic studies were already underway (including “A Consolidated Economic Development Strategy for Lantau and Market Positioning Study for Commercial Land Uses in Major Developments of Lantau”, the “Study on Recreation and Tourism Development Strategy for Lantau”, and the “Preliminary Feasibility Study of Cable Car System from Ngong Ping to Tai O, and Spa and Resort Development at Cheung Sha and Soko Islands”), and the proposed overall development strategy for Lantau had been drafted based on the preliminary analyses and suggestions from these studies. Regarding district improvement projects, the first stage of the second phase of the improvement works at Tai O, the car park improvement works in the first stage of the second phase of the improvement works at Mui Wo would commence in 2016 for completion by 2019. The first phase of the mountain bike trail networks project was expected to start in the fourth quarter of this year, and would be completed at the end of 2016; the second phase would start at the end of 2016 for completion by the end of 2017. The progress on the Improvements to narrow road bends at Keung Shan Road and South Lantau Road and the review on traffic restrictions and arrangement of closed road permits in south Lantau had been mentioned in the progress report

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of the TT SC.

83. Mr LAI briefed the meeting on the work plan of the LanDAC. He said that the LanDAC had substantially formulated the proposed development strategy covering aspects of planning, conservation, economic and social development, as well as recreation and tourism of Lantau. He suggested issuing the First-term Work Report of the LanDAC in early 2016. The report could summarise the work and major issues discussed by the LanDAC, and the proposed overall development strategy for Lantau, etc. He also suggested conducting promotional and public engagement activities starting from early 2016, with a view to revising the proposed overall development strategy in the fourth quarter of 2016 based on the results of consultation, so as to map out a blueprint for Lantau development.

84. Mr LAI said that the DEVB would continue to join with other departments and liaise with some non-governmental organisations and/or local community groups to discuss organising distinctive local activities or constructing local facilities. Initial ideas included organising international mountain bike competition and beach music festival. In addition, through collaboration across departments, the Islands District Office would carry out improvement works to Tung O Ancient Trail as soon as possible after receiving funding from the CEDD. The DEVB would continue to consult hiking groups to review if other popular hiking trails (e.g. Tung Mui Ancient Trail) needed to be improved, and would carry out improvement works as far as possible. The DEVB was also negotiating with the AFCD to promote Lantau development at the same time when organising public activities and competitions relating to country parks and hiking spots.

85. A Member said that many foreign visitors loved visiting the country parks in Hong Kong. He suggested that the DEVB should inform the Tourism Board of relevant activities for the Board to promote them to foreign visitors.

86. A Member said that it was worthwhile to promote the activities mentioned above, and expected that various departments could work together, for example, in providing transport facilities to facilitate such events.

87. A Member pointed out that the NCD on the airport island was an important part of Lantau development, but progress of its development was not included in the LanDAC Paper No. 12/2015. He suggested providing related

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information to support the promotional plan for Lantau.

88. A Member was delighted to see that the Administration was carrying out many projects, such as Tai O and Mui Wo improvement works; and the road bend improvement works at Keung Shan Road and South Lantau Road could start earlier than scheduled under the collaboration of the LanDAC and various departments. He held that announcing the progress of the above projects would enable local people to feel the benefits of development. In addition, that Member said that it would achieve a better effect if local organisations could assist or cooperate in organising the activities such as beach music festival.

89. In response to a Member's enquiry about the mountain bike trail network project, Mr LAI Cheuk-ho said that the first phase of the project was to improve the existing bike trail networks and supporting facilities. The facilities would be available for public use as soon as the works were completed. There was no need to wait for the completion of the second phase.

90. Mr HON Chi-keung, Permanent Secretary for Development (Works), said that quite a number of promotional activities would be carried out next year. He considered that small-scale activities could create a favorable atmosphere in the local community to facilitate building the brand of Lantau. He expected that joint effort could be made with the PRE SC to formulate the work plan for implementing the promotional work progressively, hence drawing the attention of the public to Lantau development.

91. The Chairman said that he expected to have more promotional activities to arouse public discussions about Lantau development and to garner public support. He agreed to communicate with the relevant organisations or bodies when arranging activities and make joint efforts in the promotion when possible. After the publication of the work report of the LanDAC early next year, a series of publicity and promotional activities would be launched. The Chairman stressed the importance of interaction with the public, and also the support and assistance from all Members.

Agenda Item 6: Gist of Discussion of the LanDAC Workshop and Key Messages on Lantau Development

92. The Chairman said that the LanDAC just held a workshop on 19 September in which the development strategy and work plan were reported to

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Members and co-opted members of the SCs altogether. The Secretariat had summarised the key points of discussion at the workshop for Members' perusal. Members were welcome to provide comments and supplements after the meeting.

[Post-meeting note: The Secretariat had sent the gist of discussion of the workshop to Members by email for comment. The confirmed gist of discussion is at Annex.]

93. The Chairman said that the messages for promoting Lantau development had to be consistent so as to avoid misunderstanding. Therefore, the Secretariat would consolidate the key messages about Lantau development for Members' reference, and Members would be consulted later about the draft.

[The Honourable CHAN Han-pan left the meeting at this juncture.]

Agenda Item 7: Any Other Business

94. A Member suggested that the relevant personnel should have adequate and accurate information in hand and adopt suitable way of presentation when publicising and promoting Lantau development to the public.

95. The Chairman said that in a pluralistic and open society, there were bound to have different views. He agreed that sufficient information had to be available in order to respond to different views when publicity and promotional activities were carried out. He requested the public relations consultant to develop suitable strategies for public relations and publicity and also welcomed Members' advice.

96. There being no other business, the meeting was adjourned at 1:00 p.m.

Lantau Development Advisory Committee
Workshop on 19 September 2015
Gist of Discussion

1. Lantau, being the last piece of precious land that covered a large area and has not yet been fully developed in Hong Kong, was very important for Hong Kong's long-term development. With reference to previous experience in the development of new towns, transport infrastructure should be the priority consideration, instead of being demand-driven, for the development of Lantau and consideration should also be given to local needs.
2. The development of Lantau should have clear market positioning and also match with and complement the development of surrounding areas.
3. Clear goal for each development project should be set and short-, medium- and long-term implementation timetables should be formulated. Attention had to be paid to the integration and linkage among projects.
4. Both publicity and promotional activities should be conducted when implementing development projects so as to attract the interest of the public and various stakeholders, in order to gain their support.
5. Various development projects in Lantau should have organic integration to achieve synergy effect.
6. Views from the public and respective stakeholders had to be listened during consultation and promotion for the projects.
7. Planning and implementation of Lantau development had to balance the needs for conservation.
8. When planning for major development projects in Lantau, the characteristics of Lantau should be highlighted and pioneering concept should be displayed in certain aspects.

(Translated Version)

9. A dedicated office should be set up for Lantau development to facilitate cooperation across policy bureaux and departments so as to promote Lantau development more effectively.

**The Secretariat
Lantau Development Advisory Committee
September 2015**