

The Secretariat,
Task Force on Land Supply
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2 Tim Mei Avenue, Tamar, Hong Kong
(E-mail: tfls@devb.gov.hk)



By email only

26 September 2018

Dear Sir/Madam,

Public Engagement: Land for Hong Kong: Our Home, Our Say!

1. Overview

Hong Kong is facing the problem of unaffordable housing and inadequate public housing supply, causing the general public to suffer from increasingly expensive housing rental prices, a heavy burden of home mortgage repayments, long waiting times for public rental housing, or increasing numbers of people being forced to live in cramped and tiny sub-divided flats.

The consultation document clearly admits the presence of all these problems but simplifies and blames it on the shortage of land supply, **creating an illusion that increasing land supply is the ultimate solution.** The Government irresponsibly delegated this highly sensitive issue to the Task Force on Land Supply (the Task Force) and encouraged the general public to “discuss”, which has furthered fuelled the divisions and disaffection in our community. **Yet, without fixing the loopholes and injustices in the current housing, economy and planning system, the urgent need for public and affordable problems would not be solved;** but instead would intensify the unnecessary dilemma between social needs and nature conservation, damaging both the public interest and the natural environment.

As an environmental NGO with a vision of “*people and birds together*” and “*nature forever*”, The Hong Kong Bird Watching Society (HKBWS) is particularly concerned with the environmental and ecological sustainability of the proposed land supply options. The strategic planning “*Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030*” released in 2016 aims to achieve the vision of Hong Kong becoming “*a livable, competitive and sustainable Asian’s World City*” with a planning goal to “*champion sustainable development with a view to meeting our present and future social, environmental and economic needs and aspirations*”¹. **We consider the**

¹ Page 20 of the consultation document for the “*Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030*”

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priority in the use of land should follow such principles to protect and respect our environment and for the sustainable development of our city.

However, among the proposed 18 land supply options, there are a handful of choices which would bring irreversible impacts to the natural environment, such as development of Country Parks, reclamation of marine habitats and reservoirs, and development of agricultural land. **We are concerned these land supply options will inevitably accelerate the rate of ecological loss and other ecosystem services that provide public benefit to the whole community.** This runs directly contrary to the intent of Hong Kong's own planning laws and Hong Kong's Biodiversity Strategy and Action Plan, but also the national direction under the Greater Bay Area initiative for a "green and healthy living environment" and the Ecological Protection Red Line system for conservation and the Convention on Biological Diversity at the international scale.

We consider that development of the Country Parks and all other land supply options which would bring irreversible impacts on the environment should be adopted as the solution of last resort only when all other options can be shown to have been exhausted, a public consensus is reached, and under rigorous application of all relevant legislation and international best practice. **Brownfields and vacant land within urban areas should be used first and priority should be given to the construction of public housing.** Below are our comments on the inadequacies of the public consultation and the proposed land supply options from an ecological and nature conservation perspective.

2. Shortage of land supply is a fake issue

2.1. The public is misled by the illusion of a panacea for the current housing problem

"For housing, the insufficient land supply has directly led to a shortage of housing land; as a result, housing completion, whether public or private, have dropped dramatically" - P.5 of the consultation document

The first chapter of the public consultation document admitted the current housing problem in Hong Kong, such as shortage of affordable housing, long waiting queues for public housing, and high industrial and commercial property rents and prices. Data on lack of growth in the area of built-up land, significant reduction on the area of reclamation and no more completion of new development area from 2000 onwards were presented to indicate there is a lack of land supply, then directly blame them for causing the current housing problem without analyzing the housing and economic policies implemented by Government during the past few decades.

This created an illusion to the general public that increasing land supply is the ultimate solution to the current housing problem. As shared by the chairman of the Task Force in his blog, members of the public hopes the land supply discussion can ease the land and housing problem. An old man supported almost all land supply options in hope of helping the next generations², in another occasion a father cannot help burst into tears as he expressed his urge that the Government should increase land supply to assist the younger generations to purchase home³.

The public has high hopes, however, increasing land supply is not the panacea for these social problems, which will be explained in the following sections. **This misconception from the Government and the Task Force is already causing unnecessary tensions within the society on certain land supply options, yet will not help to the solve the housing problem in any way.**

2.2. Increase in land supply will not solve the problem of “pricy, tiny, cramped”

2.2.1 *Increase in land supplied by Government does not affect housing supply and price*

Housing prices and rents have continued to rise since the recovery of the 1997 level in 2008⁴. After analyzing 25 years of housing data in Hong Kong from 1987 to 2012, researchers found that the Government land supply did not have impact on the housing price, while the high housing price did drive more land supply⁵. Another study also showed housing supply in Hong Kong from 2004 to 2013 is independent of the land supply by government land sale, but instead is related to the internal rate of return on developers’ housing investments⁶. Even though Government imposes development time constraints to accelerate the construction to meet the housing demand, however in practice, the Government also allows the delay of development by charging the developer a penalty. As such, the developer could wait for a favourable market condition to sale/presale at a better price⁷. Therefore, **it is clear that solely increasing land supply would not be able to solve the soaring housing price, but instead the developer has control on the supply and the price as well.**

² Chairman's Blog (12 June 2018), available at <https://landforhongkong.hk/en/news/2018-06-11.php>

³ Chairman's Blog (7 August 2018), available at <https://landforhongkong.hk/en/news/2018-08-06.php>

⁴ Property market statistics, available at https://www.rvd.gov.hk/en/property_market_statistics/

⁵ Li, L. H., Wong, S. K. K., & Cheung, K. S. (2016). Land supply and housing prices in Hong Kong: The political economy of urban land policy. *Environment and Planning C: Government and Policy*, 34(5), 981-998.

⁶ Huang, J, Shen, G.Q. & Zheng, H.W. (2015). Is insufficient land supply the root cause of housing shortage? Empirical evidence from Hong Kong. *Habitat international*, v. 49, p. 538-546. Available at <http://hdl.handle.net/10397/22322>

⁷ Li, L., Bao, H.X. & Chau, K.W. (2018, May 14). *On the Strategic Timing of Sales by Real Estate Developers: To Wait or to Presale?* Available at SSRN: <https://ssrn.com/abstract=3178006> or <http://dx.doi.org/10.2139/ssrn.3178006>

2.2.2 Developers create very small flats without any Government regulation

As shown in Table 1, it is clear that there is an increasing trend in the amount of small flats provided by the developers. The amount of the so-called “nano flats”, generally refers to a flat area smaller than 20m², increased 40 times in seven years; whereas the number of flats with an area of 20 - 39.9 m² by almost 10 folds in the same period. Both flats accounts for about 5% of the total domestic flats completed in 2010, but now surged almost 40% more in 2017 and forecasted to further increase to almost half of the total completed flats in 2019. **While the Government and the Task Force strived to gain public support to increase land supply and claimed that it can improve the living space per person in Hong Kong, the Government at the same time stated that it has no intention to impose any restrictions during land sales to limit the flat size and leave the flexibility to the market**⁸. Both the developer and the Government are responsible for creating more small flats in Hong Kong, but this is obviously contrary to what has been advocated in the current land supply consultation - to improve the living condition of the general public.

Table 1. 8-year annual completions (2008 - 2017) and 2-year forecast (2018 - 2019) of private domestic flats with saleable area less than 40m²*

Year	Flat area smaller than 20 m ²	Flat area of 20 - 39.9 m ²	Total number of private domestic flats completed
2010	13 (0.1%)	676 (5.0%)	13,405
2011	22 (0.2%)	614 (6.5%)	9,449
2012	0	1,511 (14.9%)	10,149
2013	81 (1.0%)	1,342 (16.3%)	8,254
2014	64 (0.4%)	2,096 (13.3%)	15,719
2015	79 (0.7%)	2,056 (18.2%)	11,280
2016	206 (1.4%)	3,731 (25.6%)	14,595
2017	691 (3.9%)	6,200 (34.8%)	17,791
2018	Forecast: 6,852 (37.8%)		18,130
2019	Forecast: 9,649 (47.4%)		20,371

*Data Source: Hong Kong Property Reviews published by the Rating and Valuation Department^{9,10}

2.2.3 Housing is being treated as a commodity rather than a necessity

In a telephone survey conducted by the Hong Kong Institute of Asia-Pacific Studies commissioned by Greenpeace East Asia Hong Kong in 2018 found that most Hong Kong people consider that a flat is for living but not for investment¹¹. **The flow of “hot**

⁸ HKSAR Government. (2016, December 16). SDEV speaks to media on quarterly land sale programme for January to March 2017 [Press Release]. Retrieved from <http://www.info.gov.hk/gia/general/201612/29/P2016122900875.htm>

⁹ Rating and Valuation Department. (2013). *Hong Kong Property Review 2013*. Retrieved from <https://www.rvd.gov.hk/en/publications/hkpr.html>

¹⁰ Rating and Valuation Department. (2018). *Hong Kong Property Review 2018*. Retrieved from <https://www.rvd.gov.hk/en/publications/hkpr.html>

¹¹ Greenpeace East Asia Hong Kong. (2018, May 9). 六成二市民無信心覓地令樓價回復可負擔水平 [62% of the public have no confidence that increase in land supply can regulate the housing price back to an

money” into Hong Kong and speculation in the property market are the main reasons why the public have no confidence that the Government can regulate the property price back to an affordable level through increase in land supply. The Chief Executive stated that it is unrealistic and impractical for the Government to promise the housing price will return to a certain level, as it is extremely difficult to suppress the selling price of a commodity in a free economy¹². Clearly, the Government treats housing as a commodity for investment rather than a basic necessity for Hong Kong people, facilitating the on-going speculation in the property market.

2.2.4 Short summary

No direct relationship was found between the land supplied by the Government and the housing supply and price. Developers have control on the timing of flat sales/presales (i.e. the amount of flats supplied and its price at a favourable market condition) and the size of the flats, yet the Government is reluctant to impose strict regulations on the delay in construction and very small flat size. Speculation in the property market further pushes up the property price and rent in Hong Kong. **Therefore, it is not the problem of insufficient land supply, but the lack of determination from the Government to revise its housing policy with the mindset of housing as a basic necessity of Hong Kong people rather than an investment asset.**

2.3. Unjustified land demand and no housing shortage

Comparing figures from different strategic planning documents (Table 2), even though the estimated population increase dropped to one-third, the land demand estimate remains more or less the same. **It is unclear how the Government or the Task Force estimate and justify the amount of land required.** Alternatively it shows that this land grab is not related to housing the public, but instead serves other development purposes which could and should subject to normal market forces.

affordable level] [Press Release]. Retrieved from <http://www.greenpeace.org/hk/press/releases/others/2018/planforhongkong/>

¹² Hong Kong Economic Times. (2018, July 1). 林鄭：壓樓價至某水平不切實際 居屋可平過五二折 [Carrie Lam: It is unrealistic to suppress the housing price to a certain level, flats under Home Ownership Scheme can be cheaper than 48% off]. *Hong Kong Economic Times*. Retrieved from <https://topick.hket.com/article/2106024/> 【林鄭七一訪問】林鄭：壓樓價至某水平不切實際%20 居屋可平過五二折

Table 2. Comparison of population and land demand estimates in different strategic planning documents

	<i>Estimated population increase</i>	<i>Estimated household size</i>	<i>Estimated land demand for housing</i>
Hong Kong 2030 [^] : Stage 3 public consultation	2.5 million (2001 - 2030) ¹³	-	1,870 - 2,520 hectares ¹⁴ (2003 - 2030)
Hong Kong 2030 [^] : Final Report	1.7 million (2006 - 2036) ¹⁵	2.6 persons in 2033 ¹⁵	1,200 - 2,000 hectares ¹⁶ (for 924,000 units) (2003 - 2030)
Hong Kong 2030+ [*] : Public consultation	980 thousand (2014 - 2043) ¹⁷	2.7 persons in 2046 ¹⁷	1,670 hectares ¹⁸ (for 1 million units) (2016 - 2046)

[^] Hong Kong 2030: Planning Vision and Strategy

^{*} Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030

There were about 2.75 million existing permanent public and private housing units in 2017¹⁹, and another 600,000 units will be built in the upcoming planned development projects²⁰. **This gives a total of 3.35 million housing units, which can meet the predicted peak of 2.97 million domestic households in 2046²¹. It is clear that there is no housing shortage, but there is a serious problem with uneven distribution of resources and focusing on housing as an investment asset.**

2.4. The land supply discussion is a pretext

2.4.1 *The Government left her responsibility to the Task Force*

As discussed in the previous sections, there is no actual shortage in housing and no need to increase land supply, but there is an uneven distribution of resources and lack of determination from the Government to implement a housing policy in which housing is a basic necessity instead of an investment asset. The Task Force on Land

¹³ Annex 1 of the Stage 3 public consultation document for the Hong Kong 2030 Study, available at https://www.pland.gov.hk/pland_en/p_study/comp_s/hk2030/eng/con_digest/pdf/cb_e.pdf

¹⁴ Appendix A of Hong Kong 2030 working paper no. 27 - Development options under the reference scenario (2003), available at https://www.pland.gov.hk/pland_en/p_study/comp_s/hk2030/eng/wpapers/pdf/wpaper27.pdf

¹⁵ Chapter 7 of the Hong Kong 2030 Final Report, available at https://www.pland.gov.hk/pland_en/p_study/comp_s/hk2030/eng/finalreport/pdf/E_FR.pdf

¹⁶ Para 13 of Hong Kong 2030 Working Paper No. 45 (2007) - Stage 4 assessment of housing land requirement and supply, available at https://www.pland.gov.hk/pland_en/p_study/comp_s/hk2030/eng/wpapers/pdf/wpaper45.pdf

¹⁷ P.6 of the Hong Kong 2030+ consultation document

¹⁸ Section 2.9 of Hong Kong 2030+ topical paper no. 9a - consolidated land use requirements and supply analysis, available at https://www.hk2030plus.hk/document/Consolidated%20Land%20Requirement%20and%20Supply%20Analysis_Eng.pdf

¹⁹ Housing in Figures published by the Transport and Housing Bureau, available at <https://www.thb.gov.hk/eng/psp/publications/housing/HIF2017.pdf>

²⁰ P.25 of the land supply consultation document

²¹ Census and Statistics Department. (2017). *Hong Kong Monthly Digest of Statistics October 2017: Hong Kong Domestic Household Projections up to 2051*. Available at <https://www.statistics.gov.hk/pub/B71710FC2017XXXXB0100.pdf>

Supply only have one and a half year to take stock of the demand and supply of land resources, to enhance land development measures for increase in land supply, and to facilitate consensus-building on various land supply options²². **We consider that the Government is irresponsible to set up the Task Force when the Government itself has all the data and resources to conduct a comprehensive study and to stock take the current land resources and their usage. More problematically, the Government assigned the Task Force to look for more land supply, which has completely misled the public to discuss such ineffective and unreasonable way to solve the current severe housing problem that the society is facing.** This resulted in creating more unnecessary conflicts between different levels of the society on various land supply options, when land supply shortage is not the major cause of the housing problem.

2.4.2 Information provided to the Task Force is biased

The Task Force's composition was frequently criticized for its bias towards development - some members have publicly expressed support for large scale reclamation outside Victoria Harbour, reclamation of the Plover Cove reservoir, and development of Country Parks to expand the current land supply²³. The chairman and members of the Task Force frequently expressed that Task Force is not biased and will present all findings and comments in the report to the Government. **Even if that is so, the Task Force is already guided by the information provided by the Development Bureau, which carries the stance of the Government on the land supply options.** For example, in the paper for the Task Force, it mentioned as a background information that there are no less than 1,000 hectares of private agriculture land hold by developers, in which the area is comparable to a quarter of existing built-up area for public and private housing flats. But it fails to mention the economic, social and ecological value of agriculture land and the functions of farmland in a city (see section 3.3 for details). **Such "partial facts" were also presented in the Task Force public consultation document. We consider such presentation of "information", which are biased towards development would only mislead the public (and the Task Force members) to make wrong decisions on various land supply options.**

²² Terms of reference and gazette notice of the Task Force on Land Supply. Retrieved from https://www.devb.gov.hk/en/boards_and_committees/task_force_on_land_supply/index.html

²³ Standnews. (2017, August 29). 林鄭委專責小組「大辯論」土地問題 雷鼎鳴等多名成員 均撐開發郊野公園 [Carrie Lam appointed a task force for the big discussion on land issue, many members including Francis T. Lui support the development of Country Parks]. *Standnews*. Retrieved from <https://thestandnews.com/politics/林鄭委專家小組-大辯論-土地問題-雷鼎鳴等多名成員-均撐開發郊野公園/>

2.4.3 *The Chief Executive and senior officials express their support to certain land options*

Before and during the launch of the land supply public consultation, the Chief Executive in several occasions criticized environmental NGOs for objecting to reclamation and development of Country Parks, and stated that there is an urgent need to increase land supply for the pressing housing need thus it is inevitable to have some impacts on the environment^{24,25}. Yet the consultation document states that just 200 hectares is required for housing, while the options presented add up to many times this number. It is shameful for the Chief Executive to mislead the public, to attempt to suppress legitimate views on the consultation, and to try to drive a wedge between the needy and conservation groups. However, environmental NGOs together with grassroots concern groups strongly expressed that adequate housing is needed, but Country Park is also an important asset for grassroots and there should not be development of public housing in Country Parks²⁶.

Even during the public consultation, the Chief Executive openly responded that development of the “periphery of Country Parks” is worth considering²⁷, while both the Chief Executive and the Secretary for Transport and Housing publicly expressed their support in reclamation as a source of land supply, to demonstrate their determination in dealing with the land supply shortage to the general public²⁸. **We are concerned such acts are in fact to promote land supply options which are favoured by the Government, before the land supply consultation is finished.**

2.5. Poor land management leaving land problem unsolved

Long-running deficiencies in existing policies, legislation and planning system have been causing the continuous ecological degradation of important habitats and hindrance of effective enforcement as illustrated in our reports of “Hong Kong Headline Indicators for Biodiversity and Conservation”²⁹. Adjustment of existing

²⁴ HKSAR Government. (2018, March 24). 行政長官出席扶貧委員會高峰會開場發言（只有中文） [CE speech at the Commission on Poverty Summit (Chinese only)] [Press Release]. Retrieved from <http://www.info.gov.hk/gia/general/201803/24/P2018032400483.htm>

²⁵ HKSAR Government. (2018, May 4). 行政長官出席二〇一七香港環境卓越大獎頒獎典禮致辭全文（只有中文） [CE speech at the 2017 Hong Kong Awards for Environmental Excellence (Chinese only)] [Press Release]. Retrieved from <http://www.info.gov.hk/gia/general/201805/04/P2018050400807.htm>

²⁶ Inmedia. (2018, July 16). 基層團體環團聯手 斥政府製造住屋郊野敵我對立 [Grassroots and green groups jointly accuse the Government creating conflicts between housing and nature conservation]. *Inmedia*. Retrieved from <https://www.inmediahk.net/node/1058353>

²⁷ MingPao. (2018, July 5). 林鄭：開發郊野邊陲值深思 [Carrie Lam: development of Country Park periphery worth considering]. *MingPao*. Retrieved from https://news.mingpao.com/pns/dailynews/web_tc/article/20180705/s00002/1530727843295

²⁸ MingPao. (2018, July 3). 諮詢未完已表態撐填海 林鄭：不可迴避迫切問題 [Express support in reclamation even consultation not yet completed; Ms Carrie Lam: cannot avoid such urgent problem]. *MingPao*. Retrieved from https://news.mingpao.com/ins/instantnews/web_tc/article/20180703/s00001/1530584623219

²⁹ Hong Kong Headline Indicators for Biodiversity and Conservation 2011 - 2017 reports. Retrieved from

policies and legislation is critical to plug these loopholes and effectively halt the destruction. Loopholes in the existing regulatory framework including the absence of Development Permission Area (DPA) from existing OZP under the Town Planning Ordinance (Cap. 131), and approval of waste dumping in private land under the Waste Disposal Ordinance (Cap. 354) disregarding the ecological value of the site.

Furthermore, the number of reported cases regarding inappropriate land use in conservation, agriculture and village zonings have increased to over 800 cases per year. However, it is often observed that the reinstatement actions requested by Planning Department are often ineffective in restoring destroyed habitats (particularly wetlands) back into their original ecological function, which there are only two successful cases in the past eight years. Poor reinstatement generally follows one of two approaches. In some cases filled materials were not completely removed from the affected site. In others grassing the land is often proposed as the method for reinstatement as it is easier to determine if the reinstatement has satisfied a court order. Clearly this method does not help the recovery of the ecological function of the impacted wetlands, but rather seals the fate of local biodiversity depending on the damaged site. **We are concerned if the loopholes in the system are not plugged, even if more land are made available through the land debate, the flawed system will continue to misuse and deplete our valuable land resources.**

3. Land supply options will not lead HK towards a sustainable development

The land shortfall of at least 1,200 hectares was developed from “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” (Hong Kong 2030+), which aims to achieve the vision of Hong Kong becoming “*a livable, competitive and sustainable Asian’s World City*” with a planning goal to “*champion sustainable development with a view to meeting our present and future social, environmental and economic needs and aspirations*”³⁰. **We consider the priority in the use of land should follow such principles to protect and respect our environment and for the sustainable development of our city.** Degraded or formed land, such as brownfields, vacant land in urban areas and sites under private recreational leases, should be used first. However, among the proposed 18 land supply options, there are still several choices which would bring irreversible impacts to the natural environment, such as development of Country Parks, reclamation of marine habitats and reservoirs, and development of agricultural land. We are consider that **these land supply options will inevitably accelerate the rate of ecological loss** and our concerns are detailed below.

<https://www.hkbws.org.hk/cms/index.php/reports>

³⁰ Page 20 of the consultation document for the “*Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030*”

3.1. Country Parks and reservoir reclamation should not be a land supply option

In the January 2017 Policy Address the Government had already proposed to develop “a small proportion of land on the periphery of country parks with relatively low ecological and public enjoyment value for purposes other than real estate development, such as public housing and non-profit-making elderly homes”³¹. Under the Country Park Ordinance (Cap. 208), the purpose of Country Parks are for conservation and for passive recreation. **Developing the Country Parks, even for housing development, undermines the good intentions of the Ordinance and destroys the integrity of the Country Park ecosystem.** It is also inappropriate to put public housing and elderly homes in Country Parks where there is limited infrastructure and supporting community facilities.

In May 2017 an unidentified Government body commissioned the Housing Society to conduct a feasibility study on two sites on the “periphery” of Country Parks³². No justification either of the need to develop inside country parks or the selection of the sites was made public. This took place before the establishment of the Task Force on Land Supply in September 2017 and long before the completion of the current public consultation on land supply in September 2018³³. All the above suggests that the Government has always intended to develop the Country Parks, and is trying to do so without providing any justification of the need or the selection of sites. **Even more troubling is the Task Force echoes with the Government and included land supply options in the public consultation document to develop two sites at the “periphery” of Country Parks, develop more areas of the Country Park “periphery”, and reclaim part of the Plover Cove Reservoir which is entirely within the Plover Cove Country Park**³⁴. These land supply options facilitate a wholly unnecessary and unjustifiable destruction and disturbance of Country Parks rather than nature conservation and public enjoyment.

Moreover, the term “periphery” is misleading as it obscures whether the sites are inside or outside the Country Park boundary. It should be made clear the sites are in fact fully located within the boundary³⁵.

³¹ HKSAR Government. (2017, January 18). *Paragraph 117 of 2017 Policy Address*. Retrieved from <https://www.policyaddress.gov.hk/jan2017/eng/p116.html>

³² HKSAR Government. (2017, May 17). *Government invites Housing Society to study ecological value and development potential of sites on periphery of country parks* [Press Release]. Retrieved from <http://www.info.gov.hk/gia/general/201705/17/P2017051700797.htm>

³³ HKSAR Government. (2018, April 26). *Task Force on Land Supply appeals for active participation, openness and inclusiveness* [Press Release]. Retrieved from <https://www.info.gov.hk/gia/general/201804/26/P2018042600805.htm>

³⁴ Task Force on Land Supply. (2018). *Land for Hong Kong: Our home, our say!* Retrieved from <https://landforhongkong.hk/en/>

³⁵ HKSAR Government. (2017, June 28). *LCQ21: Study on two sites on the periphery of country parks* [Press

The Government's track record in rezoning vegetated Green Belts of "*relatively low conservation value*" for development, which has led to a loss of well-wooded Green Belts with high or medium ecological value and buffering effect (please refer to the section 3.2), **gives the public no cause for confidence** that the Government's stated intention to develop the Country Parks would be limited to areas with "*relatively low*" ecological and public enjoyment value. Given the importance of Hong Kong's Country Parks for conserving biodiversity and other ecosystem services, and the expectation that they should be protected under current legislation, the Hong Kong Biodiversity Strategy and Action Plan and the Greater Bay Area plan, **development of the Country Parks should be adopted as the solution of last resort only** when all other options can be shown to have been exhausted, a public consensus is reached, and under rigorous application of all relevant legislation and international best practice.

3.2. Rezoning of Green Belts should not be continued

According to the TPB revised Master Schedule of Notes, the planning intention of "Green Belt" (GB) for rural area and new town is "*primarily for defining the limits of urban and sub-urban development areas by natural features and to contain urban sprawl as well as to provide passive recreational outlets. There is a general presumption against development within this zone*"³⁶. **Simply stated it acts as a buffer to separate urban areas from rural areas and countryside.**

However, GB zones have been targeted for development in recent years. In the Policy Address of 2011 (and in subsequent 3 years as well), the Government announced its intention to use the "*devegetated, deserted or formed*" GB zones for development³⁷. In 2013, the then Secretary for Development mentioned in his blog that the GB review has entered the second stage where GB sites of "*insignificant buffering effect and relatively low conservation value*" would be used for urban expansion³⁸.

Yet, sites with significant buffering, ecological and conservation value were also considered for development. The GB site in Tai Wo Ping, which is well-vegetated and well-wooded with streams and breeding ground of the globally Vulnerable Lesser Spiny Frog, was rezoned for residential development in 2014. In 2017, four well-wooded GB sites in Tsung Kwan O with secondary woodland generally of "*moderate*" or even "*moderate to high*" ecological value were proposed for rezoning

Release]. Retrieved from <http://www.info.gov.hk/gia/general/201706/28/P2017062800421.htm>

³⁶ Town Planning Board. (2017). *Revised Master Schedule of Notes - Green Belt*. Retrieved from http://www.info.gov.hk/tpb/en/forms/Schedule_Notes/msn_gb_e.pdf

³⁷ HKSAR Government. (2011). *Paragraph 43 (iv) of 2011-12 Policy Address*. Retrieved from <https://www.policyaddress.gov.hk/11-12/eng/p43.html>

³⁸ Development Bureau. (2013, November 24). *Reviewing land uses and increasing development intensity* [Blog Article]. Retrieved from https://www.devb.gov.hk/en/home/Blog_Archives1/t_index_id_43.html

for housing development³⁹. **There appear to be marked discrepancies between the Government's GB review criteria and the sites chosen in the selection of GB sites for development, so it is hardly surprising that the decisions for GB rezoning in Tai Po and Tai Wo Ping have been challenged by judicial reviews from the public^{40,41}.** This further serves to undermine public trust in the Government's intentions in land use planning in ecologically sensitive areas.

3.3. Values and functions of agricultural land are ignored

3.3.1 *Values and functions of agricultural land*

Agricultural land not only brings livelihood and income to farmers by selling their produce and secures food security for Hong Kong consumers, they can also have ecological, landscape and cultural values within a city. **Agriculture lands are capable of supporting a rich biodiversity. Wet and dry farmlands provide shelter, roosting, breeding and foraging habitats for a wide range of wildlife.** Take Long Valley as an example. The HKBWS and The Conservancy Association has been carrying out a management agreement project there, which includes growing rice, other wet agriculture crops and wetland management. This has enhanced the biodiversity in the area, over 300 bird species were recorded at Long Valley by HKBWS and the globally critically endangered Yellow-breasted Bunting regularly appears in the area during the migration period. Agricultural lands also act as wildlife corridors allowing movements of wildlife between fragmented habitats or between separated conservation areas/Country Parks, open spaces within an urbanized area, buffer zones at urban/rural interfaces, buffers for the protection of streams, woodlands and conservation areas, and a tool for preservation of traditional farming techniques and culture.

3.3.2 *Current threats to agricultural land*

However, agricultural land is not well protected, and has been under imminent development threat, leading to an ongoing incremental loss of arable agricultural land. Even though "Agriculture" (AGR) zone is intended to "*retain and safeguard good quality agricultural land/farm/fish ponds for agricultural purposes. It is also intended to retain fallow arable land with good potential for rehabilitation for cultivation and*

³⁹ Civil Engineering and Development Department. (2014). *Feasibility Study of Site Formation and Infrastructural Works for Nine Housing Sites in Tseung Kwan O* (Agreement No. CE 61/2014(CE)).

⁴⁰ Kao, E & Chu, J. (2015, May 14). Student challenges plan to build flats on Tai Po green belts. *South China Morning Post*. Retrieved from <http://www.scmp.com/news/hong-kong/health-environment/article/1795913/student-challenges-plan-build-flats-tai-po-green>

⁴¹ SCMP. (2015, September 22). Hong Kong court urged to quash decision to build homes on green-belt site. *South China Morning Post*. Retrieved from <http://www.scmp.com/news/hong-kong/health-environment/article/1847274/hong-kong-court-urged-quash-decision-build-homes>

*other agricultural purposes*⁴², this zoning has been systematically undermined by approval of incompatible developments (especially small houses) and hence fails to offer full protection to farmlands. In the past five years, the average approval rate of planning applications in AGR zone is 61%⁴³. This encourages land owners to follow a “trash first” approach to pave or dump construction waste on AGR land in the hope of securing development permission or rezoning for development, and thus a loss of arable agricultural land. Moreover, not all farmlands are located within AGR or conservation zonings. Some active farmlands are found within village, residential or other development zonings.

In 2015, the Government launched the New Agriculture Policy and tried to address the above issues through the development and modernization of agriculture and strengthening the marketing and branding of local produce. **However, this does not close the enormous gap in the land value for development and that for farming.** Under the fear of land shortage in recent years, agricultural land is regarded as of high development and investment potential. While no such value actually exists until rezoning is approved, the fact that paved agricultural land sells at a price five times higher than arable farmland⁴⁴, provides evidence that the trash first approach is considered an effective means to secure higher land price and possibly the development permission. **This creates a perverse incentive for more dumping, fly-tipping activities and site formation to facilitate development in the hope of securing this higher value.**

Furthermore, agriculture use is not limited to cultivation of the soil, and thus arable land are not safeguarded. Quality farmland or wetland (i.e. abandoned rice paddies or ponds) are often filled with soil and/or construction waste, then structures considered to be of agriculture use - such as greenhouses for hydroponics or aquaponics - are erected on top of the filled and paved land. The current broad definition of “agriculture uses” is, as a result, leading to the destruction of cultivable agricultural lands. **There is a need for a stricter AGR zoning with a more precise definition of agriculture use to be established to protect farmland for cultivation use only and to avoid the trashing of arable land.** Even though “Agricultural Priority Areas” (APAs) was proposed in the New Agriculture Policy, the corresponding

⁴² Town Planning Board. (2017). *Revised Master Schedule of Notes - Agriculture*. Retrieved from http://www.info.gov.hk/tpb/en/forms/Schedule_Notes/msn_agr_e.pdf

⁴³ From 2012 to 2016, the average (i) number of planning application received in GB and AGR, (ii) number of planning application approved in GB and AGR, and (iii) approval rate in GB and AGR are: (i) 100 and 225, (ii) 48 and 138, (iii) 48% and 61%. All numbers are calculated from the data collected from TPB Portal 2.

⁴⁴ The price of agricultural land can range from HK\$250 per square foot for high quality arable farmland to HK\$1,309 per square foot for formed and paved farmland ready for development. Data retrieved from www.28hse.com

consultancy study has not started yet⁴⁵. It is likely that the study will take several years to complete and APAs will be implemented many more years after the completion of the land supply consultation. **Without securing the protection of arable farmland, taking it for development will only lead to further more destruction to vulnerable agricultural land.**

3.3.3 Risk of developing agricultural land and use of public-private partnership

In the land supply option of “tapping into the private agricultural land reserve in the New Territories”, the consultation document directly look into the mechanism of public-private partnership (PPP) to “unlock the potential of large-scale private agricultural land” **without mentioning the economic, social and ecological value of agriculture lands and their functions in a city. It seems that the Government and the Task Force is determined to take agricultural land as a source of land supply.**

In addition, fishponds are also regarded as a type of agricultural land, which are mainly concentrated in the Deep Bay area. These fishponds and adjacent wetlands are important foraging, roosting and breeding habitats for birds and form part of the ecosystem of the Mai Po Inner Deep Bay Ramsar site of international importance. They are mostly within the “Wetland Conservation Area” (WCA) under the Town Planning Board Planning Guideline No. 12C which follows the precautionary approach and “no-net-loss in wetland” principle. Any new development is not allowed “unless it is required to support the conservation of the ecological value of the area or the development is an essential infrastructure with overriding public interest”⁴⁶, yet “development with conservation objectives within the WCA under a private-public partnership approach”⁴⁷ may be considered. However, there is so far no successful case of such private-public partnership within the WCA due to the incompatibility of the scale of development with the surrounding ecologically sensitive environment and the failure to secure the long term funding and management of the wetland and fishpond habitats. We are concerned **the current land supply option of using PPP would facilitate developers/landowners to open up the Deep Bay area for more residential/recreational/commercial development, destroying the ecological integrity of the Deep Bay ecosystem and threatening the habitat quality of the globally important Ramsar site.**

⁴⁵ HKSAR Government. (2018, June 13). LCQ8: *Tapping into private agricultural land reserve in New Territories* [Press Release]. Retrieved from <http://www.info.gov.hk/gia/general/201806/13/P2018061300476.htm>

⁴⁶ Planning intention of “Wetland Conservation Area” (WCA). Section 6.1 of the TPB PG-No.12C. Retrieved from https://www.info.gov.hk/tpb/en/forms/Guidelines/pg12c_e.pdf

⁴⁷ Private-Public Partnership Approach within WCA. Section 6.3 of the TPB PG-No.12C. Retrieved from https://www.info.gov.hk/tpb/en/forms/Guidelines/pg12c_e.pdf

As stated in the consultation document, PPP is still required to go through the existing statutory procedure to gain approval from Town Planning Board for rezoning the agricultural lots to development zonings and some may need to increase the development intensity as well. **We are concerned the proposed PPP would provide more incentive and policy backup to justify rezoning agricultural land to development zonings and set an undesirable precedent for developers and landowners to open up farmlands and fishponds, and may even lead to more trashing of agricultural lands in hope to favour future development.** As in the case of GB rezoning proposed by the Government, even though environmental NGOs have strongly opposed several sites due to their ecological/conservation value and the inconsistency with the Government's GB review criteria, the Town Planning Board has still approved the rezoning so as *"to meet the acute housing demand"* and major concerns *"has been addressed by the departmental responses"*⁴⁸. Therefore, **Town Planning Board members would consider the Government's existing policy and undermines the original good intentions of the zonings.** We are concerned that similar situation would occur for rezoning agricultural land to facilitate PPP.

3.4. Brownfield first and loopholes plugged

As in both the discussion paper for the Task Force prepared by the Development Bureau and the consultation document, it is frequently mentioned that the brownfields in Hong Kong are different from the ones in other countries, as they are not idle and have business operations which contributes to the society. As such, it is said that the process would be lengthy and challenging. **From our perspective, brownfields in Hong Kong is caused by inappropriate use of land and inadequate land/planning enforcement. Regardless of the pressing housing issue or not, the Government should have the responsibility to address these inappropriate and inefficient use of land.** If there are industries which are beneficial to the society (e.g. recycling), the Government should consider relocating them in proper locations with facilities to avoid environmental degradation and subsidies to assist the business to survive. At the same time, loopholes in the planning and land system should be plugged to avoid further encroachment of brownfields to other areas of conservation concern.

⁴⁸ Town Planning Board meeting held on 21 June 2018 for the rezoning of GB sites in Tseung Kwan O. Retrieved from https://www.info.gov.hk/tpb/en/meetings/TPB/Minutes/m1171tpb_e1.pdf

4. Conclusion

Hong Kong is indeed a unique city in China and as well as in the world, with such a high population density but yet also with a large number of country parks that are accessible from almost every part of the city. This is increasingly valued by a community living in confined spaces and concerned about declining quality of life and opportunity. **The current land supply public consultation highlighted the housing problem of “pricy, tiny and cramped”, but failed to tackle heart of the housing issue and instead seeks to lead the public to discuss various land supply options, which created more conflicts between different levels of the society and unnecessary dilemma between social needs and nature conservation.**

The HKBWS urges the Government to be responsible and with great determination to, 1) establish a housing policy with the mindset of housing as a basic necessity of Hong Kong people rather than an investment asset, 2) plug existing loopholes in the Town Planning Ordinance and Waste Disposal Ordinance to strength the protection of agricultural land and to avoid the continuous misuse and depletion of our valuable land resources, 3) stop taking Country Parks, Green Belts and other land options which would bring irreversible environmental impacts as land supplies, and 4) fix the inappropriate and inefficient use of land in brownfields and assist industries which are beneficial to the society (e.g. recycling). **As such, the development of the city need not be at the expense of the environment and urgent social needs and the harmony in the society can be restored.** In this way, there is hope that the vision of becoming a livable, competitive and sustainable Asia’s World City could be reached.

Thank you for your kind attention and we hope that our comments would be taken into consideration.

Yours faithfully,



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