

# Accelerate the Development of the Northern Metropolis









## **Background**

The Government published the Northern Metropolis Action Agenda in 2023, dividing the Northern Metropolis (NM), from the west to the east, into four major zones, namely the Highend Professional Services and Logistics Hub, the Innovation and Technology (I&T) Zone, the Boundary Commerce and Industry Zone, and the Blue and Green Recreation, Tourism and Conservation Circle.

The NM, a strategic development area in Hong Kong, represents a substantial source of economic value and development potential. With an area and planned population accounting for around one-third of Hong Kong's totals, the NM will provide more than 3 000 hectares of new development land. This will help address the land shortage for industrial development in the past, drive the development of I&T and other industries, and create about half a million new job opportunities. Leveraging its proximity to Shenzhen, the NM can also better capitalise on the complementary strengths of the Mainland and Hong Kong, enabling us to participate in the development of the Guangdong-Hong Kong-Macao Greater Bay Area in a more in-depth manner.

Given the importance and strategic significance of the NM, accelerating its development has always been the target of the current-term Government. In fact, the overall planning of the NM is now in place, and the various New Development Areas and key infrastructure projects are being taken forward at full speed with a more specific development timeline and roadmaps. As the NM development gradually matures, in the next five years, about 900 hectares of "spade-ready" land will be produced, some 70 000 housing units will be completed and ready for intake, and about one million square metres of economic floor space will be provided.

We must accelerate the NM project to better develop our economy and improve people's livelihood. The Government will raise the level of decision-making for the NM development, with a view to streamlining and compressing administrative workflows, removing unnecessary barriers and restrictions. We will also introduce dedicated legislation to expedite the NM development and enhance efficiency. Embracing a new mind-set, we will adopt safe, cost-efficient, and time-saving construction methods, materials, and equipment from different jurisdictions.



## **Accelerate the Development of** the Northern Metropolis

## **Establish the Committee** on Development of the **Northern Metropolis**

• Establish the Committee on Development of the Northern Metropolis (NM) chaired by the Chief Executive to raise the level of decision-making for the NM development. Three working groups will be set up under the Committee on Development of the NM, namely the Working Group on Devising Development and Operation Models, the Working Group on Planning and Construction of the University Town, and the Working Group on Planning and Development. (DEVB)

#### **Working Group on Devising Development and Operation Models**

 Led by the Financial Secretary, the Working Group will formulate development and operation models for industry parks in the NM, taking into account their nature and scale. This will include setting up one or more tailor-made park companies, or dedicated statutory or non-statutory bodies for various industry parks; devising public-private partnership approaches such as the Build-Operate-Transfer model, etc.; exploring a shift from "highest bidder wins" to industry-linked "two-envelope approach" for tendering; and designing a range of financing schemes, including equity, bonds, government injections, and provision of land as a form of capital participation. (FSO, DEVB, FSTB)

• The Development Bureau is conducting a policy study to set up an industry park company for about 23 hectares of industry land at Hung Shui Kiu. The recommendations will be announced by end-2025 after reporting to the Working Group on Devising Development and Operation Models. (DEVB)

#### **Working Group on Planning and Construction of the University Town**

- Led by the Chief Secretary for Administration, the Working Group will set up a research task force to study the development approach of the NM University Town (UT), conduct field trips on successful models of UTs elsewhere, and seek views from presidents and representatives of local, Mainland, and internationally renowned universities. (CSO, DEVB, EDB)
- Explore the possible way forward to deeply integrate industry development with the academic sectors where Hong Kong has an edge, alongside the strategies for attracting leading universities or research institutes in the Mainland and overseas to establish a base in Hong Kong. (CSO, DEVB, EDB, ITIB)

· Make recommendations on the positioning and vision for the three batches of sites for the UT which will be available for use in 2026, 2028 and 2030 respectively at the earliest. It will consider an industry-led approach, for example, integrating with nearby, high-end professional services as well as vocational and professional education and training facilities for joint development in the Hung Shui Kiu/Ha Tsuen New Development Area; and for the Ngau Tam Mei area, considering dovetailing with the overall innovation and technology development (including life and health technology industries) of the San Tin Technopole and the Loop, and jointly developing with the third medical school and the integrated medical teaching and research hospital. (CSO, DEVB, EDB, ITIB, HHB)

#### **Working Group on Planning and** Development

- Led by the Deputy Financial Secretary, the Working Group will be responsible for managing the end-to-end process from planning to implementation, and making holistic arrangements on co-ordinating consolidating such aspects planning, engineering, land, transportation, environmental protection, etc., with the aims of promoting industry anchoring, creating job opportunities and enhancing productivity. (DFSO, DEVB)
- Establish a dedicated project supervision office to strengthen the coordination and supervision of the approval process for works, and impose time limits and establish a phased reporting mechanism to accelerate the process. (DEVB)

#### **Remove Barriers and Ease Restrictions to Streamline Administrative Procedures**

- Adopt superior construction methods from different places, and integrate the use of successful construction technologies, materials and equipment from the Mainland and overseas, while introducing the Fast Track Processing System, in a bid to reduce construction costs and time. (DEVB)
- Implement а "phased development" approach on a trial basis with reference to the Mainland's "1.5-level development" concept. Pilot low-density facilities, such as retail, entertainment or convention and exhibition facilities, will be allowed to be built and operate at the initial stage to attract enterprises to establish presence, bringing income and footfall. This will create momentum before long-term development is rolled out. Market feedbacks will be invited on a "phased development" approach for the commercial sites in Hung Shui Kiu. (DEVB)
- Adopt diverse development models such as in-situ land exchanges and large-scale land disposal to promote market participation and expedite development. (DEVB)
- Employ flexible land-grant arrangements to encourage enterprises to set up businesses and invest in the area. To provide greater flexibility, sites granted as tenancy instead of land lease may have a term exceeding seven years. (DEVB)
- · Adopt open tendering, restricted tendering or direct land grant depending on industry policies. (DEVB)
- Allow owners of land in the NM to voluntarily surrender land planned to be resumed by the Government to offset the amount payable for in-situ land exchange or large-scale land disposal in new development areas (NDAs) in the NM, thereby promoting market participation in the NM development. (DEVB)

- Adopt a "pay for what you build" approach to reduce the cost of land premium in the NM. In lease modifications, subject to the condition of the land parcels involved, owners will be allowed to pay the required premium according to the actual built floor area and the use, rather than the maximum floor area based on the maximum plot ratio under the current planning regime, and consider allowing developers to pay land premium in phases, according to the actual development scale. (DEVB)
- Engage the MTR Corporation Limited to conduct a land use review for Au Tau to capitalise on the development potential brought by the Northern Link, exploring the introduction of a larger proportion of private housing into the area around Sha Po at Au Tau Station for development into an NDA. The results will be announced in 2026. (DEVB)
- The relevant streamlined administrative measures may also be applied to areas outside the NM where appropriate. (DEVB)

## **Dedicated Legislation** to Accelerate the Development of NM

• Introduce dedicated legislation to accelerate the NM development, which will empower the Government to devise simplified statutory procedures for relevant matters. could include setting up statutory industry companies; providing dedicated channels for funding injections to industry park companies; managing ways to facilitate the cross-boundary flow of people, goods, capital, data and biological specimens in designated areas, so as to attract research and development institutes and high-end manufacturers to establish a presence in Hong Kong; speeding up the approval of building plans; relaxing permitted uses in outline zoning plans and fine-tuning development parameters; and expediting compensation payment for land resumption. (DEVB, FSTB, ITIB)

## Introduce the NM development

• Set up physical exhibitions in the community liaison centres of NDAs and establish an online exhibition on the NM designated website to disseminate the planning and latest development of the NM to the public through multiple channels. (DEVB)

#### **Expedite the Development** of the Loop

- · Established the Inter-departmental Vetting Coordination Task Force for the Hong Kong Park to facilitate the implementation of measures by government departments for accelerating the development of the Hong Kong Park of the Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone (the Hong Kong Park). (ITIB)
- With the completion of the first three buildings in Phase 1 development, the Hong Kong Park will enter into its operational phase officially in 2025. Tenants from life and health technology, microelectronics, new energy, artificial intelligence and other pillar industries are gradually moving in. (ITIB)
- Expedite the completion of the first batch of development of the Park. The Hong Kong-Shenzhen Innovation and Technology Park Limited (HSITPL) plans to select suitable land parcels in the remaining land in Phase 1 development for invitation of private development proposals within 2025, thereby leveraging market forces to enhance the speed and efficiency in taking forward the development of the Hong Kong Park. (ITIB)
- The HSITPL will complete the planning for the development scale, distribution of industries, etc. of Phase 2 development of the Hong Kong Park within 2025 by making reference to the planning and functions of Phase 1 development of the Park, with a view to finalising the overall layout of the Hong Kong Park. (ITIB)

- Consider applying the "moving in while construction is underway" approach to provide enterprises with work spaces flexibly having regard to the market demand so that enterprises may move in earlier without having to wait for the completion of the entire park's construction. (ITIB)
- Continue to proactively explore with the Municipal Government and Shenzhen relevant Mainland authorities policy measures promote efficient cross-boundary flow of innovation elements in the Hetao Co-operation Zone on a pilot basis, so as to foster the synergistic development of the Shenzhen Park and the Hong Kong Park within the Co-operation Zone. (ITIB and relevant bureaux)

## **Development Outline for** the San Tin Technopole

• Publish the Conceptual Outline of the Development Plan for the Innovation and Technology Industry in the San Tin Technopole by end-2025, to cover top-level planning, industry positioning and layout, the co-ordinated development of various land parcels, strategies for channelling market resources to invest in the development, etc.. (ITIB)

## **Expedite Transport** Infrastructural **Development**

#### Railway projects

• Continue to proceed in full swing the construction works of Kwu Tung Station, Hung Shui Kiu Station, Tung Chung Line Extension, Oyster Bay Station and Tuen Mun South Extension for completion progressively from 2027 onwards, and adopt an innovative mind-set to take forward the Northern Link Spur Line in combination with the Main Line concurrently, with the aim to achieve simultaneous commissioning by 2034 or earlier. (TLB)

• Continue to work with the Shenzhen authorities to jointly take forward two cross-boundary railway projects, connecting the metro networks of Hong Kong and Shenzhen to significantly enhance the connectivity of infrastructure in the Guangdong-Hong Kong-Macao Greater Bay Area and boost industry confidence in establishing a presence. Pressing ahead with the investigation and design of the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu-Qianhai) and the detailed planning and design of the Northern Link Spur Line, and have also invited contractors and operators to submit expressions of interest for the Hong Kong section of the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu-Qianhai). (TLB)

#### **Road projects**

 Continue to take forward various road infrastructure projects, including remaining sections of Route 6 and Trunk Road T4 in Sha Tin under construction, as well as the Northern Metropolis Highway and Route 11 under planning. (TLB)