

**Advisory Council on the Environment
Nature Conservation Subcommittee**

**Minutes of the meeting held on 9 April 2008
at 10:15 am in Conference Room, 33/F., Revenue Tower, Wanchai**

Present:

Prof WONG Yuk-shan, B.B.S., J.P. (Subcommittee Chairman)
Ms Goretti LAU
Mr. Markus SHAW
Dr NG Cho-nam, B.B.S.
Dr YAU Wing-kwong
Prof LAM Kin-che, S.B.S., J.P. (ACE Chairman)

Absent with apologies:

Prof LAM Kwan-sing, Paul
Dr MAN Chi-sum, J.P.
Ms Betty HO

In Attendance :

Mr. Edward YAU, JP	Secretary for the Environment
Ms Anissa WONG, JP	Permanent Secretary for the Environment
Mr. Eric CHAN	Administrative Assistant/Secretary for the Environment
Miss Teresa CHIU	Press Secretary/Secretary for the Environment
Mr. Albert LAM	Deputy Director of Environment Protection(2), Environmental Protection Department (EPD)
Mr. Vincent TANG	Assistant Director (Nature Conservation and Infrastructure Planning), EPD
Mr. C C LAY	Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department (AFCD)
Dr P M SO	Senior Conservation Officer (Biodiversity), AFCD
Miss Florence CHAN	Senior Administrative Officer (Nature Conservation), EPD (Secretary)

In Attendance for Agenda Item 3 :

Mui Tsz Lam Project Presentation Team

Ms Betty HO	Director, PlanArch Consultants Ltd
Mr. K.S. WONG	Director of Sustainable Design, Ronald Lu & Partners
Ms Mee-ling YAU	Senior Plant Ecologist, Ecosystems Ltd
Dr HUNG Wing Tat	Director, The Conservancy Association

Sha Lo Tung Porject Presentation Team

Mr. Joe FONG	Director, Sha Lo Tung Dev., Co., Ltd.
Dr Eric TSANG	Chairman, Green Power
Dr MAN Chi-sum	Chief Executive Officer, Green Power
Mr. Alex WANG	Senior Engineer, Ove Arup
Mr. Peter AUSTIN	Technical Director, ERM
Mr. Terence FONG	Senior Consultant, ERM
Mr. Kenneth TO	Partner, KT & associate
Mr. David FOK	Assistant Town Planner, KT & associate
Mr. S L NG	Director, LLA
Mr. Phill BLACK	Director, Pro Plan Asia Ltd.

Tai Ho Project Presentation Team

Mr. Alan BROWN	Swire Properties Limited
Mr. Henry LEE	Swire Properties Limited
Mr. Roger NISSIM	Sun Hung Kai Properties Limited
Mr. Ian BROWLEE	Masterplan Limited
Mr. Tom DAHMER	Ecosystems Limited
Ms Mee-lingYAU	Ecosystems Limited

Wu Kau Tang Project Presentation Team

Ms Dorothy WONG	Managing Director, Greenlife Corporation Ltd
Mr. LEE Yuet	Project Coordinator, Greenlife Corporation Ltd
Mr. HUI Lam Hing	Visiting Professor, Institute of Botany
Mr. LEE Koon Hong	Wu Kau Tang Indigenous Inhabitant representative
Mr. LEE Mo Hing	Wu Kau Tang Indigenous Inhabitant representative

The Chairman welcomed Members to the meeting of the Nature Conservation Subcommittee (Subcommittee).

Agenda Item 1: Confirmation on Minutes of the Last Meeting held on 7 December 2007

2. The draft minutes were confirmed without any amendments.

Agenda Item 2: Matters arising

3. The Chairman reminded members to declare potential conflict of interest. The Chairman reported that two members had declared potential conflict of interest as they were involved in two Public-private Partnership (PPP) applications. They would not attend the meeting in the capacity of members. A member declared interest as he was the Director of Conservancy Association, which was involved in the Mui Tse Lam and Mau Ping PPP project. The member confirmed that the project was handled by other directors of the Conservancy Association and he did not take part in it. The Chairman said that the concerned member could continue to attend the meeting.

Agenda Item 3: New Nature Conservation Policy – Pilot Scheme for Public-private Partnership (NCSC Paper 1/08)

Presentation by Mui Tsz Lam Project Team

4. The Chairman invited Mui Tsz Lam and Mau Ping project team to present their proposal.

5. A member noted that 1.7 ha of woodland would be destroyed as a result of the project. He asked about the proposal's environmental impact on the woodland. He also asked about the proportion of development footprint inside the PPP site and the proposal's environmental impact on natural streams. Ms Betty Ho replied that the project proponent had avoided the felling of mature woodland. Only younger woodland would be felled and compensatory planting at the ratio of 1:1 would be done. The development footprint

of the project was about 2% of the PPP site. To protect the stream, a construction buffer zone of more than 25m along the streams would be set up. Dr Hung Wing-tat confirmed that no *feng shui* wood would be damaged by the project.

6. The Chairman noted that the project proponent only owned about 70% of private land in Mui Tsz Lam, and was doubtful whether the proposed conservation measures could be enforced. He asked if the project proponent planned to acquire more land. Ms Betty Ho responded that the project proponent had no plan to acquire land in Mau Ping. Instead, they would patrol and manage the land. She said that Mau Ping had limited access via Ma On Shan Village or an ancient track. Keeping it as status quo would be appropriate. A member asked if patrolling was sufficient to preserve the land. Dr Hung Wing-tat said that besides patrolling, research and educational walk would also be done.

7. The Chairman asked about the amount of injection to the proposed Trust Fund. Ms Betty Ho said that the Trust Fund would generate interest, which would be sufficient to cover the recurrent cost of the Nature Reserve. The exact amount would be determined by the Finance Committee at a later stage. A member asked about the amount of land holdings held by the Government and the project proponent, Dr P M So said that in Mui Tsz Lam, about 11 ha and 5 ha of land was held by the Government and the project proponent respectively. In Mau Ping, the Government owned about 22 ha of land and the project proponent owned none.

(The project team left the meeting at this juncture.)

8. A member said that members should consider the objectives of long-term conservation plan and what mechanism was available to ensure that pledges made by the project proponent would be met. Mr. C C Lay said that about 40% of land in Hong Kong had been designated as protected areas and a rich biodiversity could be found in those areas. In reviewing the nature conservation policy in 2004, the Government aimed at identifying a practicable way to preserve

ecologically sensitive land under private ownership. The PPP scheme encouraged applicants to submit proposals to conserve the priority sites in long-term. The project proponent should demonstrate how long-term cooperation with landowners could be secured. In the Mui Tsz Lam and Mau Ping proposal, it was doubtful how the project proponent could effectively enhance the conservation value of the whole site, in particular Mau Ping, where they owned no private land there.

Presentation by Sha Lo Tung Project Team

9. The Chairman invited Sha Lo Tung project team to present their proposal.

10. A member asked if the villages were willing to give up their land. Mr. Phill Black said Sha Lo Tung Development Company (SLTDC) owned almost all private land (i.e. 96%) in Sha Lo Tung Valley, and was willing to surrender the concerned land to the Government.

11. A member raised four concerns: (i) the need to place a columbarium in PPP site; (ii) the meaning of the Multi-cultural Education “resort”; (iii) the impact on Sha Lo Tung caused by the massive number of human and vehicle movement in Sha Lo Tung during Ching Ming and Chung Yeung festive days; and (iv) the means to treat sewage from toilets.

12. On (i), Mr. Phill Black said that development component (i.e. the columbarium) was an integral part of PPP. Under PPP, development at an agreed scale would be allowed to fund the conservation of the project. The proposed columbarium would be built on the “green belt” zone outside the priority site. On (ii), he clarified that it would be a retreat instead of a resort. Limited accommodation (i.e. less than 10 rooms) for students learning Chinese culture would be provided for short training courses. On (iii), he said that 60,000 niches would be divided into two types, Category A (20,000 niches) and category B (40,000 niches). Only Category A buyers (i.e. one-third of all niches) would be allowed to visit Sha Lo Tung during the two festive days. Moreover,

prior booking would be required and shuttle bus service would be provided to Category A buyers. It was expected that no more than 3,000 people would be in the columbarium at one time. Moreover, the Green Power would monitor the flow of people to and from the Ecological Reserve which would be closed on the festive days.

[Post meeting note: The project proponent clarified that the actual projection was about 1,700 people would be in the columbarium within 1.5 hours.]

13. The Chairman said that 20,000 was still a substantial number and asked if the proponent had considered scaling down the development. Mr. Joseph Fong said the development was planned based on the findings of statistical researches on existing columbarium facilities. The estimate was about 1,000 pedestrians per 20,000 niches per day during peak seasons. To help relieve the traffic pressure on Sha Lo Tung Road, Mr. S L Ng added that the project proponent would provide shuttle bus services at other strategic locations (e.g., near Tai Wo station) in addition to the one at the entrance of Sha Lo Tung Road.

14. On (iv), the project team advised that a new sewer would be constructed at the time when Sha Lo Tung Road was to be widened so as to collect sewage and direct it to the existing sewage system in Ting Kok Road. In addition, portable toilet would be provided during festive days.

15. A member asked whether access to Sha Lo Tung Road would be restricted. He also asked about the size of the car park and the impact of potential surface run-off on natural stream. Mr. Phill Black said that Sha Lo Tung Road would not be a private road, but it would be maintained by SLTDC. Mr. S L Ng said there would have some 40 parking spaces. Mr. Alex Wang said that the surface run-off would be collected by new stormwater drainage pipes, and the discharge would be connected to storm drains in Ting Kok Road.

16. A member was concerned about the sustainability of the project. She was uncertain if the project would continue as proposed by

the project proponent. Dr Eric Tsang responded that the \$120 million seed money in the proposed Trust Fund would generate interest sufficient for the operation of the Ecological Reserve, with estimated annual running cost of about 4 million. The Green Power would manage the Ecological Reserve as an operator in future. A member echoed with that member and worried that the project proponent would not fulfill its obligation after all the niches were sold. Mr. Joe Fong replied that an independent NGO would be responsible for the management of the Multi-cultural Education Retreat cum Columbarium Complex, with funds generated from the sale of niches. In addition, annual fee would be charged on the niches sold to provide for regular income to cover the management and maintenance of the niches.

17. In response to the Chairman's enquiry, Mr. Joe Fong said it was very difficult to estimate the premium of niches as there were only a few private columbaria in Hong Kong and the price would be subject to negotiation. He said that the restriction imposed on Category B niches would cut down the sales price.

(A member and the project team left at this juncture.)

18. A member flagged the following issues which needed to be addressed if and when the proposal is to be taken forward.

- a) how to cope with the significant increase in traffic in Sha Lo Tung Road arising from the proposed development of the Columbarium, particularly during Ching Ming and Chung Yeung Festivals;
- b) a robust mechanism and legally enforceable measure has to be put in place to ensure that the mitigating measures as promised by the proponent would be carried out to avoid adverse impact on the ecological sensitive areas of the proposed site during construction and subsequent operation of the project including the Multi-cultural Educational Retreat cum Columbarium Complex;
- c) measures that have to be put in place to ensure that the Multi-cultural Educational Retreat would not be turned into

a massive accommodation-type facility as this would have adverse impact on the environment;

- d) the means to ensure that the Multi-cultural Educational Retreat cum Columbarium Complex would be properly managed to maintain compatibility with the overall environment of the Ecological Reserve ; and
- e) whether support from local indigenous villagers has been secured.

19. A member said the need to go through EIA should be further examined. Ms Anissa Wong responded that according to the schedule of Environmental Impact Assessment Ordinance (EIAO), the statutory EIAO procedures were not applicable to the current proposal. However, the project proponent had conducted an environment study. She said that the Government would like to make the process as transparent as possible. A member said that there were limitations in EIAO and he found it not desirable for this project not to be covered by EIAO. Another member added that the project site was in close proximity of Fung Yuen and extra care should therefore be exercised on this project to avoid it from causing adverse impacts on the Fung Yuen site.

Presentation by Tai Ho Project Team

20. The Chairman invited the project team to present the Tai Ho proposal.

21. Noting that the project proponent owned about 66% of the private land in Tai Ho, a member asked the project proponent how to ensure that villagers would support the project and did not claim their rights of building small houses in Tai Ho valley. Mr. Ian Brownlee said that a 'village' zone would be established in the proposed outline zoning plan (OZP) for Tai Ho and a village expansion area near Pak Mong had been proposed for accommodating some 160 new small houses. An agreement had been reached with the villagers and a new OZP would be required to facilitate the implementation of the proposal. Mr. Alan Brown supplemented that the proposed village expansion area

would be able to meet demand for small houses for the next 15 to 20 years. A member asked about the current use of the proposed village expansion area near Pak Mong. Mr. Roger Nissim said it was used for farming. In response to a member's enquiry, Mr. Alan Brown said car parks would be provided at the proposed village expansion area.

22. A member asked if the effective implementation of the proposal would hinge on the successful promulgation of the OZP. He further asked if the project proponent would accept land other than sites in Tung Chung under the proposed land exchange proposal. He also asked about the proposed management agent for the Ecology Park. Mr. Ian Brownlee said that new OZP covering the area would be desirable, but not essential for the project. Mr. Alan Brown said they were prepared to accept exchanged sites not in Tung Chung. The purpose of not carrying out development on site was to avoid causing adverse impact on the environment of Tai Ho which was ecologically sensitive. As for the management agent of the proposed Ecology Park, Mr. Tom Dahmer explained that it was not possible to get green group's participation for two reasons: i) the lack of qualifications, experience or commitment on this type of project and ii) inadequate capacity to take on this type of project or project scope outside the mission of existing NGOs. It would however be open to the project proponent would identify a suitable NGO as partner for the management of the Park at a later stage. Mr. Alan Brown said that they were flexible and prepared to make amendments to the proposal so as to take on the Task Force's and Members' advice.

(The project team left the meeting at this juncture.)

23. A member was concerned about the ecology at Tai Ho. Prof Lam Kin-che echoed and said that the proposal, as outlined in its conservation plan, should be able to help safeguard Tai Ho against development pressure.

24. A member said that the lack of green groups' involvement in the project added uncertainty to the project. The Chairman said that he was concerned whether the developer would honour the pledges it made

on environmental conservation once green light was given for the project to go ahead. Hence, some binding mechanism had to be work out to ensure that the pledges would be carried through.

Presentation by Wu Kau Tang Project Team

25. The Chairman invited the project team to present their proposal.

26. A member asked if the project proponent had any plan to treat sewage generated from the project. Mr. Lee Yuet said that they had engaged a consultant to design an environmental-friendly sewage treatment plant and the scale of the plant would depend on the project scale. He added that the project proponent was prepared to finance the plant.

27. The Chairman asked how the ecological value of Wu Kau Tang could be enhanced as a result of the massive development as proposed in the project. Ms Dorothy Wong said that village houses and campsite were already allowed in the current zoning of Wu Kau Tang. She said that only development of spa resort and retirement village would require approval from the Government and Town Planning Board and efforts would be made to minimize the impact of the development on the environment so as to make the project sustainable.

(The project team left the meeting at this juncture.)

Concluding discussion

28. After hearing the presentation by the proponents of Mui Tsz Lam and Mau Ping, Sha Lo Tung, Tai Ho and Wu Kau Tang projects (the proponent of Yung Shue O project declined the invitation for presentation), and considering the Task Force's assessment, the Chairman asked for members' views on whether these projects should be supported from nature conservation perspective.

29. A member said that out of the five proposals, the Sha Lo

Tung project was worthy of support from the conservation angle. He asked if the Government would encourage other project proponents to refine their proposals for re-submission. Prof Lam Kin-che said the Government should inform unsuccessful applicants of the reasons for rejection. He also supported Sha Lo Tung project to go ahead if the EIA issues were duly addressed.

30. As for the Tai Ho proposal, a member said that the project was worthy of support from the conservation perspective. The complicated land issues were however not a matter for the Nature Conservation Subcommittee to consider. The Chairman agreed that there were merits in the proposed conservation plan for Tai Ho. However, the relative low percentage of landholdings by the project proponent, coupled with other problems as highlighted by the Task Force, would affect the smooth implementation of the project.

31. The Chairman invited members to give views on the projects having regard to the assessment of the Task Force. After some discussion, the Chairman concluded the Nature Conservation Subcommittee's recommendations as follows:

- (a) the Sha Lo Tung project should be supported from a nature conservation angle and the recommendations of the Task Force are endorsed. However, the following implementation issues will need to be addressed as the proposal is taken forward –
 - (i) the traffic management issue at Sha Lo Tung Road;
 - (ii) measures to ensure that the impact on the sensitive conservation area is kept to the minimum;
 - (iii) measures to ensure that the Multi-cultural Educational Retreat would not be turned into a massive accommodation-type facility;
 - (iv) sustainability of the Multi-cultural Education Retreat cum Columbarium Complex; and

- (v) securing the support of the local indigenous villagers.
- (b) the Tai Ho project is worthy of support from conservation perspective. However, the relatively low percentage of landholdings by the project proponent, the lack of an experienced partner to plan and manage the Ecology Park and the potentially complicated land related issues are problems that need to be addressed before the project can be seriously considered. In its present form, the project is not ready to be taken forward. The project proponent should be informed of the concerns of the Subcommittee and encouraged to refine the proposal and address the problems identified with the relevant government authorities; and
- (c) the Mui Tsz Lam & Mau Ping, Wu Kau Tang and Yung Shue O projects should not be recommended.

The recommendations of the Subcommittee would be submitted to the ACE for consideration on 14 April 2008.

32. The meeting adjourned at 1:45 pm.

Secretariat, Nature Conservation Subcommittee
May 2008