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for information

TERRITORIAL DEVELOPMENT STRATEGY REVIEW
FINAL REPORT

1. The first Territorial Development Strategy (TDS) was promulgated in 1984 and updated in 1986. The Territorial Development Strategy Review (TDSR) commenced in mid 1990 with the object of producing a planning-transport-environmental framework to guide the preparation of plans and programmes for future, major development projects. Technical work on the TDSR is now completed. The principal findings of the TDSR are summarised in the paper attached.
2. A bilingual Consultative Digest presenting the TDSR and its findings and recommendations in non-technical language is published for public consultation (attached). The public consultation programme will run for about six months. We welcome your views on the TDSR.

TERRITORIAL DEVELOPMENT STRATEGY REVIEW

A SUMMARY

WHAT IS THE PURPOSE OF THE TDSR?

1. The purpose of the TDSR is to create a broad land use-transport-environmental framework, within the context of existing policies and standards, to provide a basis for the preparation of more detailed plans and programmes to meet the development needs of Hong Kong over both the medium term (up to 2006) and the long term (up to 2011).

TWO REGIONAL SCENARIOS

2. Two economic-based regional development scenarios have been assumed in formulating strategic development options, as follows :-

Scenario A : the Pearl River Delta (PRD) will be the major economic catchment of Hong Kong over the long term.

Scenario B : Guangdong Province and other inner provinces of China will be the major economic catchment of Hong Kong.

3. These two scenarios represent a progression from A to B. The time span over which such a progression may occur and the scale of development in the catchment, will affect the nature and scope of growth demands within Hong Kong.

PRINCIPAL WORKING ASSUMPTIONS AND STUDY PROCESS

4. The TDS Review is built on a foundation of key assumptions relating to the time frame, population forecasts, employment trends, planning standards, environmental guidelines, resource availability etc. It is anticipated that, up to the year 2001, there should be sufficient capacity within current plans and programmes for a total population of about 6.5 million people. For a medium-term time horizon up to 2006, additional strategic development areas could be required for a total population of possibly about 7.3 million people. Thereafter, up to the year 2011, it has been assumed for strategic planning purposes that the total population of Hong Kong could range between 7.5 million for Scenario A and 8.1 million for Scenario B. Following the analysis of the results of the 1996 By-Census, new long-term population projections will be produced as a basis for making any necessary adjustments to the proposals emerging from this review of the TDS.

GROWTH DEMANDS

5. In addition to requirements generated by additional population, coupled with greater affluence and rising expectations, Hong Kong's large appetite for land also arises from the following aspects :-

- growing and changing hub functions of Hong Kong as a high capacity container port, an international focal point for aviation, a global and regional centre for business, a high-technology industrial support base, a centre for academic and professional excellence and a tourist attraction.
- restructuring of the obsolete inner city areas to improve the urban environment and infrastructure systems.

6. Taking all these factors into account, it is estimated that, up to 2011, Hong Kong could need as much as about 1,500 hectares of land for urban uses and a further equivalent amount for port activities. The overall total of about 3,000 hectares represents an area roughly 2.5 times the size of the new airport at Chek Lap Kok.

7. To produce enough land to meet our needs in a phased and timely way will be no easy task, given the long lead-time for creating serviced sites and allowing for the preparation of plans, public consultation, gazetting procedures, preparation of contracts and implementation of works.

POTENTIAL LAND SUPPLY

8. There are three potential sources for new development areas to accommodate the ever-increasing land use demand :-

- redevelopment of obsolete areas;
- "green-field" sites: mainly lowland areas previously used for rural activities; and
- reclamation of land from the sea.

9. Such potential sources may be able to provide new strategic growth areas for about 1.4 million people, along with a "build-back" capacity from redevelopment of about 0.3 million people.

RECOMMENDED LONG-TERM STRATEGIES

Population Assumptions

10. For 2011, it has been assumed that the population of Hong Kong could range between 7.5 million for Scenario A to 8.1 million for Scenario B. It is expected that all currently identified potential development areas would be required. In terms of

population distribution over the long-term, the proportion living in the Metro Area could change from 71% in 1991 to about 56% for an ultimate Scenario B situation.

Jobs

11. Employment in the services sector will continue to grow. The heavy predominance of jobs within the Metro Area will remain, although it is proposed that proactive measures need to be taken to encourage the development of new nodes in non-Metro areas well served by high-capacity transport systems and also to facilitate the development of a "North-South Technology Corridor", generally along the Kowloon Canton Railway, including a proposed science park at Pak Shek Kok and a high-technology development node at Kowloon Tong. Over the long-term, the proportion of all jobs in the Metro Area could change from 83% in 1991 to 72% for an ultimate Scenario B situation.

Outline Planning Studies

12. Given the long lead time needed to create new land and to provide essential infrastructure, it is considered prudent to initiate a series of outline planning studies of potential new growth areas for development over the long term. A commitment to the development of such areas would need to await the final outcome of the TDSR, taking account of the feedbacks of the public consultation exercise. Subsequently, implementation of public works would need to be carried forward in the context of the Government's Resource Allocation System.

Environmental Issues

13. An Environmental Baseline Report was produced in July 1993. Subsequent strategic-level assessments were undertaken of a series of development options to predict the principal environmental consequences and provide a basis for formulating improved land-use patterns and infrastructure networks. Such strategic assessment indicates a number of environmental impacts as a direct consequence of assumed levels of population growth, together with continuing, demand-led development. These problems include vehicle-related air pollution, traffic noise, overloading of the sewerage infrastructure, assimilative capacity of water bodies and solid waste generation.

14. Such results raise doubts over the environmental sustainability of the long-term strategies, on the basis of current policies and technology. Some of the identified problems could be mitigated with adequate resources or policy actions.

Transport Issues

15. Despite efforts to produce strategic growth patterns that would minimise the need for travel and keep environmental impacts within 'tolerable' limits, the expected disparity in the distributions of where people live and work will result in growing commuter travel demands between Metro and non-Metro areas. A practical way to respond is to accord priority to the provision of high-capacity, public transport services, especially by rail.

16. The integration of development and provision of adequate transport services should be emphasised to help avoid transport problems. There is also a need to keep open options for the long-term provision of additional cross-border road and rail links between Hong Kong and the east and west banks of the Pearl River to facilitate the role of Hong Kong as a hub port and airport to serve the wider region.

RECOMMENDED MEDIUM TERM STRATEGY

Potential Housing Needs

17. Throughout the process, it has been fully recognised that forecasting of long-term development demands is highly complex, given the many demographic, economic, environmental and developmental factors outside Hong Kong's control. For many of the strategic growth areas proposed, only broad conceptual ideas have been formulated and will require further detailed investigations. In view of the long lead time required for the planning/production of land for development and provision of infrastructure, it is essential to maintain a forward momentum to meet the more imminent land use and infrastructure needs of Hong Kong. A Medium-Term Strategy and Outline Development Programme for 2006 are therefore required.

18. There now remains little spare capacity in currently committed plans and programmes to enable adequate levels of housing production to be maintained post 2001 (especially for public housing). Attention needs to be focused on a medium-term time horizon, assumed to be the year 2006 when the population is expected to be around 7.3 million. Between 2001 and 2006, new housing is likely to be required for about 0.7 million people and possibly for a further 0.3 million arising from other sources, such as redevelopment and squatter clearances with an overall potential demand of 390,000 flats.

19. Taking account of "build-back" from redevelopment and residual capacities in current plans and programmes for the period 2001-2006, new urban land for about 640,000 people (equivalent to about 240,000 flats) would be required. A review of these broad-brush estimates will need to be made following the new population projection based on the results of the 1996 By-Census and the outcome of the latest review of the Long Term Housing Strategy. However, the TDS estimates are considered adequate for strategic planning purposes and for moving forward with land production programmes.

Alternative Medium-Term Strategies

20. As a result of recent public debate on the question of harbour reclamations, a fresh look has been taken at a "New Territories-Biased Option" and a "Harbour-Biased Option" with the relative merits of each measured against the assumed TDS Review objectives. A general conclusion is that neither option would be satisfactory in terms of various aspects relating to land use, transport and environmental attributes. Both the Metro Area and the New Territories face problems and have their own particular social and economic needs that have to be addressed in a positive way. Accordingly, a balanced medium-term strategy is recommended as a pragmatic way forward.

THE QUESTION OF SUSTAINABILITY

21. It is realised that although the TDS may provide a broad physical development framework for growth, it cannot provide answers to all the inter-related questions associated with the creation of an urban-based environment that satisfies all aspirations. It is proposed to proceed with a study, known as "**Sustainable Development for the 21st Century (SUSDEV21)**", to examine how, in the long-term, to establish an improved corporate process through which more balanced decisions can be achieved in the formulation of policies, plans and programmes to meet the changing but inter-connected economic, social and environmental needs of the community relative to resource constraints. In the meantime, however, it will be important to move forward with the implementation of an agreed Medium-Term Strategy on the basis of current policies and standards.

YOUR VIEWS ARE WELCOME

22. The way in which the future development needs of Hong Kong can be met must take account of the views of the community. You are invited to put forward your comments and suggestions in writing before the end of December 1996 to :

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Planning, Environment and Lands Branch
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