



Hong Kong General Chamber of Commerce
香港總商會 1861

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Helping Business since 1861

3 May 2024

Ms Bernadette Linn, JP
Secretary for Development
Development Bureau

Dear Ms Linn,

Re: Public Engagement Exercise on Lau Fau Shan Development Proposal

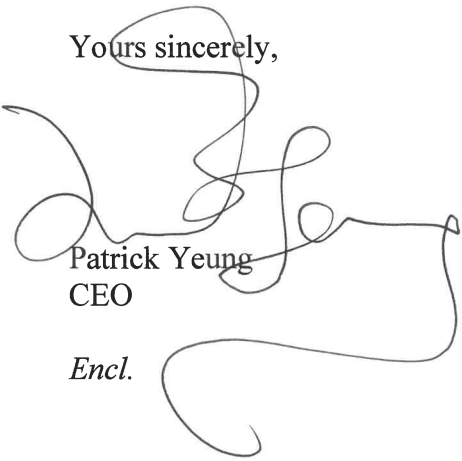
The Hong Kong General Chamber of Commerce welcomes the opportunity to respond to the captioned consultation.

In general, we support the Government's proposals to transform Lau Fau Shan (LFS) into a tech hub and eco-tourism hotspot, which would provide potential opportunities for cross-border corporate synergies and development alongside Qianhai and Nanshan in Shenzhen, and benefit the technology sector, amongst others.

In realizing these goals, we recommend that the Government take into consideration the need to further address such conceptual and practical issues as the positioning of LFS and its competitive advantages for businesses and the public, as well as how the design of the eco-tourism node could best support sustainable development and ecological conservation.

We hope you will find our comments useful.

Yours sincerely,



Patrick Yeung
CEO

Encl.

Public Engagement Exercise on Lau Fau Shan (LFS) Development Proposal

Submission by The Hong Kong General Chamber of Commerce (HKGCC)

1. HKGCC welcomes the opportunity to submit its views on this proposal.
2. In general, we welcome the proposal. As the Government has indicated, it would create synergies with the neighbouring Qianhai and Nanshan areas in Shenzhen, thereby potentially increasing development and collaboration opportunities for Hong Kong firms, especially in the technology sector (including fintech and virtual asset firms).
3. At the same time, however, the proposal presents a number of conceptual and practical challenges which we believe need to be met if the proposal is to be successful. We list these challenges below:
 - 3.1. The proposed positioning of LFS as a digital technology hub in the Northern Metropolis (NM) appears to overlap to a certain extent with the San Tin Technopole and the Hong Kong-Shenzhen Innovation and Technology Park. It is not clear how LFS would differentiate itself from these other innovation hubs, or indeed other business districts in Hong Kong, in attracting businesses to locate there. Efforts could also be made to facilitate industry integration with the Qianhai and Nanshan areas in Shenzhen.
 - 3.2. We note that LFS will be seen as falling within the High-end Professional Services and Logistics Hub in the western part of the NM. However, if high-end professional services companies, technology firms and start-ups have their customer base primarily in Qianhai, they may prefer setting-up their physical presence there. The key question is whether the benefits of being close to their clients outweigh the advantages offered by LFS.
 - 3.3. The relative remoteness of LFS as a location may present challenges in attracting companies to locate there, in the same way that Cyberport has faced similar challenges.
 - 3.4. As the population and commercial activities grow in LFS, there is a risk of negative impacts on the natural environment there. Apart from the proposed establishment of a coastal protection park, we suggest that consideration be given to adopting other measures to ensure natural habitat preservation, sustainable development and ecological conservation, thereby setting a benchmark for sustainable ecological development in the Greater Bay Area.
 - 3.5. Consideration needs to be given to whether the current transportation services and infrastructure would be sufficient to handle the increase in the volume of people who would be moving to the area, or whether they need to be improved. We also recommend setting a reasonably low plot ratio which would enhance the quality of residential and commercial areas in LFS.

- 3.6. The proposal includes a performance venue to be located on the waterfront. For this aspect of the proposal to be successful and attract sufficient audiences and performers/entertainment companies, we would suggest that the venue be devoted to a special theme of show (such as digital or virtual reality) to differentiate it from other venues such as the Coliseum, City Hall, Asia World Expo and West Kowloon Cultural District. The venue should also be accompanied by supporting facilities (such as training schools, film studies, and production houses) as well as restaurants and hotel or other overnight accommodation. Careful consideration needs to be given implementing an extremely good noise control scheme, to avoid disturbing the natural bird habitats in the area.
 - 3.7. We recommend that there should be a seafront promenade with pedestrian and cycling facilities, to facilitate modern healthy living lifestyles in the area, which would connect to neighbouring districts such as Hung Shui Kiu and San Tin Technopole.
4. We hope that you find the above views helpful.

HKGCC Secretariat
May 2024