

# Infrastructure – a cornerstone of the Chief Executive’s 2020 Policy Address

November 2020



The Policy Address announced on 25 November set out a platform to catalyse the development of Hong Kong and its role within the wider Greater Bay Area through a stimulus package - largely centred around an infrastructure agenda. Recognising that infrastructure is the bedrock of a productive economy and an essential ingredient of continued growth – the Address provided a comprehensive road-map for future development, including:

- **A step-change in the infrastructure agenda.** The speed of delivery will be key in promoting the economic and social development of Hong Kong - the Government's acceleration of specific projects amongst the agenda of wider priorities is evidence of this step-change, as is a desire to further collaborate with private sector partners in the delivery of these projects.
- **A strong focus on housing and land supply.** Affordable housing is a priority, with new momentum being created through 'Lantau Tomorrow' – a flagship project of 1,000 Hectares of reclaimed land forming a new social and business district for the City – providing affordable housing and jobs for many. The newly announced Land Sharing Scheme also provides a platform for the Government and landowners to work together to deliver more public housing.
- **Technology and skills** featured heavily. The implementation of Hong Kong's Smart City 2.0 Blueprint will be a priority in 2021, building on the earlier strategy developed in 2017. This will provide a roadmap for productive growth – raising Hong Kong's competitiveness across the board. New initiatives will include a focus on smart mobility infrastructure.
- **Support for Hong Kong's tourism sector** also featured strongly – it being a central pillar of economic growth. Iconic attractions such as Ocean Park are to be repositioned as leisure and

entertainment destinations as part of the wider invigoration of Island South. The expansion of both Asia World Expo and the Hong Kong Convention and Exhibition Centre also provide much needed capacity to support Hong Kong's role as a convention and exhibition hub.

- **Greater Bay Area.** A wealth of initiatives and opportunities throughout the wider Greater Bay Area also arose. The Lok Ma Chau Loop will be Hong Kong's future Innovation and Technology flagship, leveraging the mutual strengths of Hong Kong and Shenzhen. Accessibility throughout the GBA is also a key theme – with Hong Kong airport playing an important role with a new link connecting SkyCity with Tuen Mun, through the Tuen Mun - Chek Lap Kok tunnel, and ultimately with the HKZMB.
- **Developing the skills of Hong Kong's workforce** to capitalise on these opportunities also received focus. Investment in vocational training to foster skills development through the GBA Youth Employment Scheme should also promote learning and employment-based learning opportunities.

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## The Takeaway: key initiatives to watch out for in coming months

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### Lantau Tomorrow

- **A new landmark business and housing district** in Kau Yi Chau to be developed adjacent to Hong Kong island – comprising circa 1,000 Hectares of reclaimed land and some 200,000 housing units, offering the potential to deliver a meaningful contribution to affordable housing needs. Initiatives to reduce the cost burden that would otherwise fall on Government from the land reclamation and development of social infrastructure will likely require partnership models between Government and the private sector.

### Island South and a focus on tourism recovery

- **The invigoration of Island South** will be promoted through the establishment of a new department to deliver the transformation of this important district. Opportunities abound to build on the progress made in repositioning Ocean Park and further integrate the Wong Chuk Hang business area and new recreational initiatives, including a new water sports centre.

### Innovation and technology

- **Hong Kong's Smart City 2.0 Blueprint** is to be released this year - providing the roadmap for new smart mobility initiatives to be rolled out. The potential of the Lok Ma Chau Loop to act as Hong Kong's largest innovation and technology platform will also receive focus - and opportunities to incorporate smart city components into its design will feature strongly.

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## Let's talk

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For a deeper discussion of how this issue might affect your organisation, please contact us.

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