



香港建築師學會
The Hong Kong Institute of Architects

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Mr. CHAN Mo Po, Paul, GBM, GBS, MH, JP
Financial Secretary, HKSAR
25/F, Central Government Offices
2 Tim Ma Avenue
Tamar, Hong Kong

By Post and By Email
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Dear Financial Secretary,

The Hong Kong Institute of Architects (HKIA) welcomes the Financial Secretary's latest Budget Speech which helps address the urgent need of Hong Kong in boosting our anti-pandemic efforts, providing much needed assistance to citizens and businesses in trouble as well as promoting the continued growth and prosperity of the local economy. Many of the initiatives outlined in the Budget are targeted and expected to achieve the intended goals. As a professional association, the Institute would like to contribute some of the thoughts gathered from our members to further enhance the Budget proposal.

Simplifying Statutory Procedures

Firstly, we applaud your commitment to simplify the statutory procedures, especially in land development and plan approvals, as we have been urging the Government to review the lengthy land/planning approval process for quite some years. Nonetheless, simplifying development processes should not compromise the due diligence exercised on environmental and scientific feasibility studies as well as the quality of public engagement.

Northern Metropolis and Lantau Tomorrow

Regarding the two major development projects, the Northern Metropolis and Lantau Tomorrow, to meet our national goal to achieve net zero before 2060, it is imperative that the future developments should have net zero carbon building commitment. It is also paramount that the new developments must place priority on liveability by providing a quality living environment for everyone in the community. We would also like to know more details about the plan, especially the overall timetable and breakdowns of individual projects so that the industry can plan and allocate our resources to facilitate the project development. HKIA has set up two working groups to study these two projects and they will provide more specific suggestions for the Government to consider during later part of the year.



香港建築師學會

The Hong Kong Institute of Architects

Greater Bay Area

HKIA is glad to see that the Government will make use of the national policies under the 15th Five-Year-Plan to deepen our connection with the Mainland, particularly the Greater Bay Area (GBA). The enhanced cross-boundary access should further facilitate the access of Hong Kong enterprises and professionals to the GBA and other Mainland markets. We of course would love to see breakthroughs in mutual recognition of professional qualifications through government negotiations to open up more opportunities across the boundary for Hong Kong professionals.

Manpower Issues

The construction industry is currently facing serious manpower shortage problems whereas a number of major development projects are on the pipeline. To address this bottleneck issue, the Government should encourage the industry with incentives to test new construction technologies so as to reduce manpower requirements and shorten project duration. As such, the \$30 million earmarked for applied R&D and related technology adoption is considered insufficient, especially when compared to the \$1.2 billion injection to the Construction Innovation and Technology Fund.

Considering that \$1 Billion will be allocated to the Construction Industry Council for supporting manpower training in the construction industry, we would like to propose that part of the funding be deployed to make the one-off “Support for Engineering, Architectural, Surveying, Town Planning and Landscape Sectors 2.0” subsidy scheme introduced last year into a regular programme similar to the Engineering Graduate Training Scheme for engineering graduates. In view of the numerous major infrastructure projects upcoming, we foresee that there will be a huge increase in demand for not only young engineers but also young architectural graduates as well as other young professionals. Regularizing the subsidy scheme should enlarge the pool of much needed job opportunities for these young professionals to help meet the demand of the industry.

Facing an acute labour shortage in the construction industry, many consultants have found that their workforce is being recruited to join government departments, which further drains an already depleted manpower pool. The Government should review the overall human resources situation and ensure that manpower be available to produce the needed output required for housing supply and associated facilities, institutional buildings and infrastructures.

Liveability and Sustainability

We would also like to extend our thorough support of transforming Hong Kong into a more liveable and sustainable city with green architecture. In fact, our members have



香港建築師學會

The Hong Kong Institute of Architects

been championing the incorporation of more environmentally-friendly materials and sustainable construction methodologies to help reach the carbon neutrality goal. While there is no mentioning of renewable energy in the Budget, it should be an important element of a Smart City. Upgrading of the energy performance of the territory's old buildings should be on the Government's agenda as well. To catch up with the Country's SDG and carbon reduction targets set in 2030, green construction should play a more prominent role in the Budget. In particular, the Government could allocate a specific amount, say 5-10%, of the cost in each of the major proposed developments to be spent on environmental and sustainable construction. All in all, when mapping out the future for Hong Kong, the Government should pay attention to the United Nation's Sustainable Development Goals (SDGs), in particular Goal 11: Sustainable Cities and Communities that aims at making cities and human settlements inclusive, safe, resilient and sustainable.

Harbourfront

As to harbourfront enhancement, while \$6.5 billion were earmarked for such purpose in previous Budgets resulting in successful projects connecting the waterfront and open for public access, a more permanent and holistic approach to also connect the hinterland to the waterfront should be developed. In fact, a comprehensive scientific review of our harbor protection, accounting for rising sea levels, should be conducted, instead of the current piecemeal approach.

Housing Supply

Altogether 57,000 private units are planned in the next 5 years, which appears to be much lower than the 192,000 units in 10 years as proposed in the 2014's Long Term Housing Strategy. Moreover, the plan is to build more high density developments. Given that our livability should not be compromised, especially in view of the experience of rapid spread of coronavirus in our densely populated communities, the Government should review the housing supply target with regard to the fact that the new live-work mode and our aging population will demand larger flats and different building typology.

Construction Industry

In the Budget, the Government has raised the GFA concessions from 6% to 10% to encourage the adoption of Modular Integrated Construction (MiC), which is a subset of Design for Manufacture and Assembly (DfMA). The Government should therefore also encourage and provide incentives to the application of DfMA in building so that the whole construction process could be safer and more efficient, with a shorter construction cycle and at lower costs. As precast and other environmentally-friendly components on major building elements can expedite construction and reduce carbon

Patron: The Honourable Carrie Lam Cheng Yuet-ngor, Chief Executive, Hong Kong Special Administrative Region

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香港建築師學會
The Hong Kong Institute of Architects

footprint, a concession scheme based on a percentage of precast and environmentally-friendly components of the overall project should be introduced.

Heritage and Conservation

We believe that the protection, conservation, and revitalisation of historical and heritage sites and buildings would enhance our city's cultural heritage, identity, and vitality. Heritage conservation and adaptive reuse would further enhance Hong Kong's appeal as a tourist destination as well as a sustainable and liveable city. Accordingly, we commend the injection of \$1 billion into the Financial Assistance for Maintenance Scheme on Built Heritage. With the additional funding, a similar scheme could be created with a higher ceiling (say \$4 million) to cover larger scale maintenance works, and adaptive reuse and revitalisation of heritage buildings which involve more than one discipline.

Arts and Culture

The long-overdue recognition of arts and culture as an industry requiring support is welcome although the \$82 million combined funding is not really significant enough to make a difference. Besides, the scope should not be limited to performing arts, Cantonese opera, art tech and a few others only but be broadened to include other fields, such as architecture which impacts our culture through design exhibitions and competitions, forums and public engagement.

Conclusion

We hope the Government will consider HKIA's suggestions when executing the Budget initiatives so that the construction process can be streamlined, the manpower issues of the industry can be addressed, and the net-zero, liveability and sustainability elements can all be incorporated into major future developments. Please be assured that as always the Government has HKIA's strong support and together we will build a better future for Hong Kong.

Yours sincerely,

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President
The Hong Kong Institute of Architects