LegCo Secretariat releases Policy Pulse on "Northern Metropolis-building a new international innovation and technology city"

The following is issued on behalf of the Legislative Council Secretariat:

The Legislative Council (LegCo) Secretariat today (May 28) released a Policy Pulse on "Northern Metropolis-building a new international innovation and technology city". This issue provides a brief overview of the overall planning of the Northern Metropolis (NM), including the development themes and strategic positioning of its four major zones, its development mode and transport planning, the latest developments of its Innovation and Technology (I&T) Zone, as well as relevant discussions of LegCo along with suggestions by Members.

The Chief Executive, Mr John Lee, will attend an Interactive Exchange Question and Answer Session at LegCo tomorrow (May 29) to discuss with Members topics including ways to accelerate the development of NM. Members have long attached great importance to NM's development, and the Subcommittee on Matters Relating to the Development of the Northern Metropolis was set up in April 2022 to put forward a number of specific proposals. These include the suggestion of a mode of "large-scale land disposal" which the Government adopted to identify sizeable land parcels with commercial value and earmarked for provision of public facilities, and grant them to successful bidders for integrated development. This approach not only speeds up the development of the land parcels and enables co-ordinated urban design, but also reduces public expenditures.

NM spans 30 000 hectares, covering approximately one-third of Hong Kong's total area. It encompasses the Yuen Long and North districts and borders Shenzhen with seven land boundary control points. This area is a major hub for Hong Kong to integrate into the overall national development and a new engine for the city's future growth. It is projected to approximately provide 500 000 additional residential units and create around 650 000 new jobs upon full development.

The National 14th Five-Year Plan indicated clear support for Hong Kong's development into an international I&T centre. Under a new industry pattern of "South-North dual engine (finance-I&T)", NM will develop into a "new international I&T city" to further promote co-ordinated development of I&T industries among Hong Kong and cities in the Greater Bay Area. The I&T Zone of NM encompasses the San Tin Technopole and the Hong Kong-Shenzhen Innovation and Technology Park (HSITP), as well as the Ngau Tam Mei New Development Area.

The Policy Pulse outlines the strategic planning and development progress of NM's I&T Zone, along with measures to enhance complementary collaboration with the Mainland. The Hetao Co-operation Zone—which comprises HSITP (Hong Kong Park) and the Shenzhen Park—is jointly established under the vision of "one river, two banks" and "one zone, two parks" and enjoys unique advantages in cross-boundary co-operation. HSITP will be made up of different zones which mainly include Life and Health Technology zone, Artificial Intelligence and Data Science zone and New Technology and Advanced Manufacturing zone. With the first batch of tenants expected to move in starting this year, HSITP will officially enter into its operational phase.

The Government estimates that upon its full-fledged development, HSITP's economic contribution to Hong Kong will reach HK\$52 billion per annum. Under the framework of "one country, two systems", Members consider that the Government should optimise the advantages of the Loop in cross-boundary cooperation and explore forward-looking policies and systems in frontier fields such as cross-boundary data flow, intellectual property protection and fintech innovation. Members also suggest that the Government should actively develop a "base for pilot-scale test" in HSITP. Additionally, Members are of the view that the Government should proactively seek innovation and changes by introducing more preferential policies in respect of land supply, dedicated funding, tax deductions, etc., in order to attract more international capital and major I&T enterprises to establish their foothold in HSITP. The Government should also enhance inter-bureau and interdepartmental co-ordination to expedite the implementation of land development and transport infrastructure projects in HSITP. Moreover, in order to enhance the training of I&T talent and promote "research, academia and industry" collaboration, Members suggest that the Government should develop NM University Town into a research and development as well as technology transfer hub to support the area, while encouraging post-secondary institutions to strengthen co-operation with renowned Mainland and overseas institutions, and creating synergy through sharing resources and enhancing collaboration with industries in the area.

The detailed content of "Northern Metropolis-building a new international innovation and technology city" is available on the LegCo Website. The <u>Policy Pulse</u>, published by the LegCo Secretariat, covers specific topics, offers a comprehensive overview of related policy developments and summarises key discussions in LegCo.