

3 January 2014

Harbourfront Commission 17/F West Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong

Dear Sir,

Re: Proposed Establishment of a Harbourfront Authority — Phase I Public Engagement Consultation

We agree that harbourfront enhancement is an important investment for the future of Hong Kong and support the vision to create an attractive, vibrant, accessible and sustainable harbourfront for public enjoyment. We fully support the establishment of an independent and dedicated body, Harbourfront Authority ("the Authority") for all harbourfront and hinterland areas for the realization of such a vision.

With strategic and integrated planning of both harbourfront and hinterland areas, the Authority will be able to enhance coherence among harbourfront areas and strengthen their sustainability. A coordinated approach will also improve the accessibility and connectivity of harbourfront and hinterland areas thereby increasing public involvement and public enjoyment. The Authority should also be able to deliver and implement harbourfront developments, ensuring consistent objectives among harbourfront areas and reducing the lead-time of projects from planning to delivery.

The Authority should take on the advisory and advocacy roles, ensuring the reinforcement of the shared visions and objectives among various harbourfront areas. With one dedicated body overseeing and advising on all harbourfront areas, a holistic approach should be adopted.

An independent executive arm should bring creativity, inspiration and experience in the design and implementation of harbourfront developments, allowing a higher degree of flexibility in implementation. The Authority should be free to hire its own full time staff to ensure effective delivery powers that will enable the Authority to be avoid using traditional (lengthy) government procurement processes for harbourfront development.

Page 1 of 2

Swire Properties Limited 64/F One Island East 18 Westlands Road Island East Hong Kong Tel (852) 2844 3888 Fax (852) 2810 1547 www.swireproperties.com



P.01

SWIRE PROPERTIES

We support the establishment of a dedicated body to advise, plan, implement and manage harbourfront and hinterland areas. In order to bring the maximum benefits to Hong Kong in practice, we also recommend the following:-

- 1. The Authority should hold vested land to increase its delivery power. Vested harbourfront and hinterland areas should be under the Authority's control, allowing it to use or lease these lands independently. The increased flexibility in land uses will bring stronger connectivity and accessibility between harbourfront and its hinterland areas.
- 2. The private sector's involvement in harbourfront development should be further encouraged. The private sector's experience in leisure and recreational developments and its operational capability will definitely add value to harbourfront areas. The active participation of private sector enterprises could also enhance the prospects of interaction of the harbourfront and its neighbourhood areas. Therefore, we suggest that the Authority should join with private sector enterprises and provide incentives for private sector enterprises to develop and manage harbourfront areas.

To improve the sustainability of the activities and uses in creating a vibrant harbour, we suggest the Authority to take a long-term approach when establishing partnerships with private sector enterprises by lengthening the term of partnership agreements.

3. The financial independence of the Authority is vital in our view. The necessity to seek project specific funding approval inevitably extends the project development schedule. Financial autonomy will ensure smooth progress from project planning to implementation.

In brief, we urge the establishment of the Authority without delay to plan, design and deliver the harbourfront and hinterland areas in a more holistic way.

We would also suggest the establishment of a Provisional Harbourfront Authority so that selected pilot projects can proceed immediately rather than having to wait until the formal Authority comes into effect.

Yours faithfully,

For and on behalf of

SWIRE PROPERTIES LIMITED

Gordon Ongley

Director, Development

Page 2 of 2