

**GENERAL EX-GRATIA COMPENSATION ARRANGEMENTS
FOR OWNERS, TENANTS AND OCCUPANTS
AND
REHOUSING ARRANGEMENTS FOR OCCUPANTS
OF SQUATTER STRUCTURES
AFFECTED BY
LAND RESUMPTION AND GOVERNMENT DEVELOPMENT CLEARANCE EXERCISES**

GUIDELINES FOR OWNERS, TENANTS AND OCCUPANTS



1

Introduction

This pamphlet outlines the arrangements for offering various types of ex-gratia compensation and providing rehousing for occupants of structures/squatters in land resumption and clearance exercises for the Government development projects, together with the eligibility criteria.

Ex-gratia allowances and rehousing arrangements are non-statutory compensation offered to eligible persons affected by land resumption and clearance exercises for the Government development projects and are intended to provide assistance to help minimise their hardship. The Government would also offer to affected eligible landowners ex-gratia land compensation, as an alternative to statutory claims under the respective applicable ordinances.



(A) Occupants of licenced domestic structures/
surveyed domestic squatters ^(Note 1)



(a) **Non-means tested rehousing in the form of subsidised rental or sale flats in dedicated rehousing estates (Dedicated Estates) to be developed and managed by the Hong Kong Housing Society (HKHS)**

Eligibility criteria

- (i) Registered in the Pre-clearance Survey (PCS) (also known as the “Freezing Survey”), and still live in the affected structures immediately preceding the date of clearance;
- (ii) Continuous residence in the affected structures for at least seven years immediately preceding the date of the PCS;
- (iii) Fulfilment of the “no-domestic-property” requirement and related requirements ^(Note 2);
- (iv) Fulfilment of other eligibility criteria set by the HKHS ^(Note 3), and
- (v) In the case of meeting the above eligibility criteria and choosing the option of purchasing subsidised sale flats (SSF) in Dedicated Estates, applications for a reduced amount of the Ex-gratia Allowance for Permitted Occupiers of Licenced Structures and Surveyed Squatters affected by Clearance (EGAPO) may be made (see item (A)(1)(e) of paragraph 3 below).

Note 1 “Licenced structures” refer to the structures covered by those licences issued by the Government before 1982, or those after 1 June 1982 provided that they are derived from pre-1982 licences in respect of the structures to be cleared and without substantial changes to the conditions of the pre-1982 licences. Licenced structures are “tolerated on a temporary basis” and could be for domestic or non-domestic uses, whichever was stated in the relevant licences. “Surveyed structures” are the squatter structures for domestic or non-domestic uses surveyed during the 1982 Squatter Control Survey (SCS) under the prevailing squatter control policy. They are “tolerated on a temporary basis”, provided that their location, dimensions, building materials and use are the same as the record in the 1982 SCS.

Note 2 During the period from the date of the PCS to the date of acceptance of rehousing, the applicant and his/her family member(s) listed on the application form should not own or co-own or have an interest in any domestic property in Hong Kong; or have entered into an agreement (including provisional agreement) to purchase any domestic property in Hong Kong; or hold more than 50% of shares in a company which owns, directly or through its subsidiaries, any domestic property in Hong Kong. Moreover, the applicant and his/her family member(s) listed on the application form should not be enjoying any form of subsidised housing or related benefits, or subject to debarment as a result of previous enjoyment of subsidised housing or related benefits. “Domestic properties” include any domestic property, uncompleted domestic property, rooftop structure approved by the Buildings Authority, domestic building lots and Small House Grants in the Hong Kong Special Administrative Region.

Note 3 The HKHS also has in place other eligibility criteria, for example, the applicant and his/her family member(s) must be permanently residing in Hong Kong. For details, please refer to its website (www.hkhs.com).

(b) Rehousing to the Hong Kong Housing Authority (HKHA)'s Public Rental Housing (PRH) subject to fulfilment of the Comprehensive Means Test

Eligibility criteria

- (i) Registered in the PCS and still live in the licenced domestic structures/surveyed domestic squatters immediately preceding the date of clearance;
- (ii)
 - (1) Affected persons must be covered by the 1984/85 Squatter Occupancy Survey (SOS) conducted by the Housing Department (HD) and satisfy other eligibility criteria for PRH application; or
 - (2) For affected persons with proof of a minimum of two-year continuous residence in a licenced domestic structure/surveyed domestic squatter immediately preceding the date of the PCS, subject to their fulfilment of other eligibility criteria for PRH, they will be allotted a notional PRH application number with a two-year waiting time. If the application is expected to be due for flat allocation within twelve months, advance action will be taken to handle the application;
- (iii) At least half of the family members must have lived in Hong Kong without any conditions of stay for seven years and still live in Hong Kong. Children under the age of 18 who are residing in Hong Kong with established Hong Kong birth status regardless of their length of residence in Hong Kong and their parents' residence status, or those under the age of 18 who are residing in Hong Kong regardless of their place of birth if one of their parents has lived in Hong Kong without any conditions of stay for seven years, are deemed to have satisfied the seven-year residence rule;
- (iv) Fulfilment of the “no-domestic-property” requirement and related requirements ^(Note 2);
- (v) Applicants and their family members listed on the application form are subject to an income and asset test under which their total family monthly income and total net assets value must not exceed the income and net asset limits laid down by the HKHA^(Note 4);

Note 4 For enquiries about the income and total net asset limits, please refer to the HKHA's “Information for Applications” booklet, or contact the Clearance Housing Unit of HD by telephone on 3153 2005 (Address: 1/F., Ying Cheong House, Hoi Ying Estate, Cheung Sha Wan, Kowloon).

Note 4 updated (11/2020)

- (vi) Applicants whose eligibility for PRH has been established (excluding those who are ex-owners/ex-joint owners or former recipients of subsidised Home Ownership Schemes) may apply for Green Form Certificate for purchase of a flat under the subsidised Home Ownership Schemes of the HKHA or SSF of the HKHS in lieu of allocation of PRH;
- (vii) For those affected persons who fail to meet criteria (ii) and (iii), subject to fulfilment of criteria (i), (iv) and (v), they may apply for rehousing to the HKHA's Interim Housing (IH); and
- (viii) For those affected persons who meet criteria (i) to (iv) but fail to satisfy criterion (v), if a temporary need for housing arises, they will be offered IH plus 80% of the eligible EGAPO, but their stay there will be restricted to one year, during which they are required to pay licence fee at market level^(Note 5).

(B) Domestic occupants of licenced non-domestic structures/surveyed non-domestic squatter structures^(Note 1)



Non-means tested rehousing in the form of subsidised rental flats or SSF in Dedicated Estates to be developed and managed by the HKHS

Eligibility criteria

- (i) The requirements as stated above in items (A)(a)(i) to (iv) are fulfilled;
- (ii) Affected persons must have applied for registration in the Lands Department (Lands D)'s one-off voluntary registration exercise for domestic occupants residing in licenced non-domestic structures/surveyed non-domestic squatter structures, and satisfy the requisite requirements of the exercise^(Note 6);
- (iii) Those who fulfill the requirements above and opt for purchasing SSF in Dedicated Estates will be eligible for a reduced amount of the EGAPO (see item (A)(1)(e) of paragraph 3 below).

Note 5 Persons who are not eligible for rehousing may be admitted to a Transit Centre (TC) if a temporary need for housing arises. They will be provided with IH after staying in a TC long enough subject to meeting the HKHA's eligibility criteria or on compassionate grounds.

Note 6 Please visit LandsD's website for details of the "Squatter Occupants Voluntary Registration Scheme". Households already covered by a PCS but yet to receive compensation and rehousing arrangements will not be required to submit a separate application under the above scheme. However, they would still be required to satisfy the requisite requirements of the exercise by proving continuous residence in the non-domestic squatter structure since 10 May 2018 or before.

3

Ex-gratia Allowance (“EGA”)

| Type of EGA | Eligibility Criteria |
|--|--|
| <p>A Domestic Households of Structures/Squatters</p> | |
| <p>(1) EGA for Permitted Occupiers of Licenced Structures and Surveyed Squatters ^(Note 1) affected by Clearance</p>   | <ul style="list-style-type: none"> (a) Registered in the PCS and still live in the affected structures immediately preceding the date of clearance; (b) Affected persons must have a minimum of two-year continuous residence in the affected structures immediately preceding the date of the PCS; (c) Fulfilment of the “no-domestic-property” requirement and related requirements ^(Note 7); (d) Domestic occupants of licenced non-domestic structures/surveyed non-domestic squatter structures, subject to their registering in and satisfying the requisite requirements of Lands D’s one-off voluntary registration exercise for domestic occupants of licenced non-domestic structures/surveyed non-domestic squatter structures ^(Note 6), and their meeting the criteria (a) to (c) above, will also be eligible for the EGAPO; (e) Domestic households that opt for purchasing SSF in Dedicated Estates to be developed and managed by the HKHS will be eligible for a reduced EGAPO payable at five-sixth (i.e. about 83%) of the EGAPO amount to which they would have been entitled had they not opted for purchasing SSF in Dedicated Estates. <p>The EGAPO is calculated with reference to the applicable basic rates and the area of the structures (subject to a maximum size cap at 100 m²) with apportionment according to the length of continuous occupation for domestic use. If the total size attributed to the structure(s) occupied by a household is less than 10 m², it will still be counted as 10 m². Please see Note 8 for the banding system for the EGAPO.</p> <p>Affected persons receiving the EGAPO are ineligible for any other EGAs (except the Domestic Removal Allowance) in respect of the structure. They will also be ineligible to apply for any form of subsidised housing or related benefits for the next two years.</p> |

| Type of EGA | | Eligibility Criteria |
|------------------------------|--|--|
| (2) | Domestic Removal Allowance  | <p>Domestic households of structures covered by the PCS, regardless of the length of residence and the status of structures in which they live, are eligible for this type of EGA to help them meet the basic cost of removal. Domestic Removal Allowance takes into account basic fitting-out costs, removal costs, telephone (domestic line) removal cost and rental for the period required for fitting-out. The rates are calculated with reference to the family sizes.</p> |
| B Private Land Owners | | |
| (3) | Ex-gratia compensation for private land in the New Territories  | <p>The Ex-gratia Zonal Compensation System applicable to land resumed in the New Territories is divided into two compensation zones, i.e. "Tier One zone" (applicable to land required for development uses), and "Tier Two zone" (applicable to land required for non-development uses).</p> <p><u>(a) Owners of agricultural land</u></p> <p>Ex-gratia compensation may be offered at the applicable zonal rates as full and final settlement of all statutory claims under the respective applicable ordinances.</p> |

Note 7 During the period from the date of the PCS to the date of acceptance of EGA, the applicant and his/her family member(s) listed on the application form should not own or co-own or have an interest in any domestic property in Hong Kong; or have entered into an agreement (including provisional agreement) to purchase any domestic property in Hong Kong; or hold more than 50% of shares in a company which owns, directly or through its subsidiaries, any domestic property in Hong Kong. Moreover, the applicant and his/her family member(s) listed on the application form should not be enjoying any form of subsidised housing or related benefits. "Domestic properties" include any domestic property, uncompleted domestic property, rooftop structure approved by the Buildings Authority, domestic building lots and Small House Grants in the Hong Kong Special Administrative Region.

Note 8

| Banding | Number of years of occupation in eligible structures immediately before PCS | Proportion of the Full EGAP0 Rate |
|---------|---|-----------------------------------|
| Band 1 | Occupation covered by the 1984/85 SOS, or permitted occupants of licenced domestic structures | Full rate |
| Band 2 | 31 years or more, but not covered by the 1984/85 SOS | Full rate |
| Band 3 | Between 26 and 30 years | 90% |
| Band 4 | Between 21 and 25 years | 80% |
| Band 5 | Between 16 and 20 years | 70% |
| Band 6 | Between 7 and 15 years | 60% |
| Band 7 | Between 2 and 6 years | 50% |

Type of EGA

Eligibility Criteria



(b) Owners of building land

- (i) Ex-gratia compensation offers may be made based on professional valuation plus an ex-gratia compensation at the applicable zonal rate.
- (ii) If owners of building land are indigenous villagers in the New Territories or non-indigenous villagers who have owned the land since World War II (prior to 25 December 1941) or by succession, they may be provided with alternative sites or resite houses and/or applicable EGA when their building land is resumed, as full and final settlement of all statutory claims under the respective applicable ordinances. The ex-gratia compensation stated above in (b)(i) is not payable to eligible owners of building land who have selected this option.

- (4) Ex-gratia compensation for old scheduled lots resumed in New Kowloon and on Hong Kong Island



Owners of old scheduled agricultural land in New Kowloon and on Hong Kong Island affected by resumption are eligible for ex-gratia compensation at the same rate as agricultural land under the Tier One zone of the Ex-gratia Zonal Compensation System applicable to the New Territories. Ex-gratia compensation for old scheduled building land in New Kowloon and on Hong Kong Island is based on a compensation rate representing the value of building land in the vicinity of the resumed land, as full and final settlement of all statutory claims under the respective applicable ordinances.

C

Owners and Legal Occupants of Domestic Properties

- (5) EGA for legal occupiers of domestic properties



This EGA is payable to legal occupants of domestic properties resumed by the Government. It takes into account rental for the period required for fitting-out, removal costs, basic fitting-out costs as well as fees payable to agents for finding alternative premises, legal fees and stamp duty. The rates of allowance vary according to the location of the resumed properties, whereas the EGA payable is assessed based on the floor areas of the resumed properties. The EGA, if accepted by the legal occupants, will be deemed to be in lieu of their right to claim disturbance compensation.

| Type of EGA | | Eligibility Criteria |
|---|---|--|
| (6) | <p>Home Purchase Allowance/ Supplementary Allowance</p>  | <p>Home Purchase Allowance is payable to owner-occupiers of domestic properties affected by resumption to enable them to purchase a replacement flat of approximately seven years old and of similar size in the locality of the resumed flat. Owners of tenanted/vacant flat or tenanted area may be entitled to Supplementary Allowance which is a supplement to the open market value of the resumed flat.</p> |
| D Owners and Legal Occupants of Commercial and Industrial Properties | | |
| (7) | <p>EGA for owners/ legal occupiers of commercial properties</p>  | <p>Owners of legal commercial properties resumed by the Government will be offered the open market value of their properties and the following groups of owners/occupants are eligible for this EGA.</p> <ul style="list-style-type: none"> (a) Owner-occupiers will be offered an EGA equivalent to four times the amount of rateable value of the resumed properties. This EGA, if accepted by the owner-occupiers, will be deemed to be in lieu of their right to claim disturbance compensation; (b) Owners of tenanted or vacant commercial properties will be offered an EGA of the amount of the rateable value of the resumed properties; and (c) Tenants will be offered an EGA equivalent to three times the amount of rateable value of the resumed properties. This EGA, if accepted by the tenants, will be deemed to be in lieu of their right to claim disturbance compensation. |
| (8) | <p>EGA for legal occupiers of industrial properties</p>  | <p>This EGA is payable to legal occupants of industrial properties resumed by the Government. It takes into account rental for the period required for fitting-out, removal costs, basic fitting-out costs as well as fees payable to agents for finding alternative premises, legal fees and stamp duty. The EGA payable will be assessed in accordance with the floor areas of the resumed properties. The EGA, if accepted by the legal occupants, will be deemed to be in lieu of their right to claim disturbance compensation.</p> |

Type of EGA

Eligibility Criteria

E

Structures/Squatters and Open-air/Outdoor Business Undertakings

- (9) EGA for Shops, Workshops, Godowns, Slipways, Schools, Churches and Ornamental Fish Breeding Undertakings



Business undertakings operating their activities in a licenced structure/surveyed squatter for non-domestic uses covered by the 1982 SCS/Licences at the time of the PCS are eligible for this EGA, provided that no submission of claims for other types of compensation and rehousing is made concurrently by households of the same structure.

The amount of the EGA varies according to the type of activity and the area of structures involved. For the purpose of calculation, the area of structures is based on the area recorded in the 1982 SCS/Licences or that recorded in the PCS, whichever is the smaller.

- (10) EGA for open-air/outdoor business undertakings



The following types of business operations are eligible for this kind of EGA:

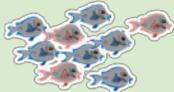
- (a) Outdoor/open-air business operations on private agricultural land operating for at least two years immediately preceding the PCS and not in breach of the lease;
- (b) Business operations on private agricultural land permitted by short-term land instruments issued by the LandsD (e.g. Short Term Waiver, Modification of Tenancy Permit and Letter of Approval) for at least two years immediately preceding the PCS and not in breach of the conditions of the short-term land instruments; or
- (c) Business operations on government land under a short-term tenancy (STT) (excluding sites let under the Abbreviated Tender System)/a government land licence (GLL) first granted at least two years immediately preceding the PCS and not in breach of the STT/GLL conditions;

provided that no submission of claims for other types of EGA is made concurrently in respect of the business operations on the same site/in the same structure.

| Type of EGA | Eligibility Criteria | |
|-------------|---|--|
| F | Agricultural Undertakings^(Note 9) | |
| (11) | Rehabilitation allowance  | This EGA may be payable to affected genuine farmers ^(Note 10) in the New Territories, who are eligible for public housing but opt to continue farming elsewhere and give up their priority to public housing. The EGA is based on a standard rate calculated with reference to the removal expenses and construction costs of a replacement temporary building. |
| (12) | Disturbance allowance for cultivators  | This EGA may be payable to eligible cultivators who fulfill a minimum occupation period of two years on the land for cultivation purpose continuously before the clearance date, so as to assist them to re-establish elsewhere. |
| (13) | Crop compensation  | This EGA may be payable to the affected cultivators for the loss of crops. The EGA is assessed on the basis of the market values of the crops under cultivation. |
| (14) | EGA for miscellaneous permanent improvements to farms  | This EGA may be payable to affected cultivators and farmers for losses relating to farm installations and fixtures such as water ponds, wells, fences, irrigation pipes/ditches, boundary walls, gates, bunds and other minor annexures to land which must be used principally for agricultural purposes. The EGA is assessed at standard rates with reference to the affected items less depreciation value of those items. |
| (15) | EGA for qualifying agricultural buildings on private land  | This EGA is assessed at standard rates with reference to the type and total floor area of the affected farm structures less depreciation value which makes reference to the condition of the affected farm structures. |

Note 9 The Agriculture, Fisheries and Conservation Department (AFCD) will assist in assessing the relevant EGAs.

Note 10 The AFCD will assess whether the person concerned is a genuine farmer.

| Type of EGA | | Eligibility Criteria |
|--|--|--|
| (16) | <p>EGA for pig and poultry farmers</p>  | <p>This EGA may be payable to affected pig and poultry farmers whose farm structures are registered in the 1982 SCS for the purposes concerned or to farmers whose farm structures are not covered by the 1982 SCS but are legitimately operating on private agricultural land (i.e. with all necessary government permissions).</p> |
| G EGAs for Fishery Undertakings ^(Note 9) | | |
| (17) | <p>EGA for pond fish farmers rearing edible fish and fish fry</p>  | <p>This EGA is assessed at standard rates (which include the notional loss of income and related costs arising from resumption and development clearance).</p> |
| (18) | <p>EGA for red worm pond operators</p>  | <p>This EGA is assessed at standard rates (which include the notional loss of income and related costs arising from resumption and development clearance).</p> |
| (19) | <p>EGA for oyster farmers in Deep Bay</p>  | <p>This EGA is assessed at standard rates (which include the notional loss of income and related costs arising from development clearance).</p> |
| (20) | <p>EGA for mariculturists affected by public marine works projects in Hong Kong waters</p>  | <p>Mariculturists affected by public marine works may be eligible for this EGA subject to the fulfillment of certain prescribed proximity or water quality criteria. The EGA payable is assessed at standard rates (which include the notional loss of income and related costs).</p> <p>(Remark: advised by the Interdepartmental Working Group and assisted by the AFCD in assessment)</p> |

| Type of EGA | | Eligibility Criteria |
|---------------------|---|--|
| (21) | <p>EGA for fishermen affected by public marine works projects in Hong Kong waters</p>  | <p>Affected fishermen may suffer a reduction of income as a result of loss of fishing grounds and may incur extra expenses in relocating their activities to fishing grounds elsewhere. Therefore, they may be granted an EGA subject to their fulfillment of certain eligibility criteria. The total EGA amount payable to all eligible fishermen is assessed according to notional values of fish catch in the affected area.</p> <p>(Remark: advised by the Interdepartmental Working Group and assisted by the AFCD in assessment)</p> |
| H Other EGAs | | |
| (22) | <p>EGA for Clearance of graves, urns (“Kam Taps”) and shrines</p>  | <p>This EGA may be payable for graves/urns (“Kam Taps”) belonging to indigenous inhabitants of the New Territories and local fishermen as well as other qualifying graves/urns (“Kam Taps”). This EGA may also be payable for the clearance of shrines built and worshipped by the villagers of a pre-1898 village as a whole. The EGA payable is assessed at standard rates with reference to the type, size and building material of the affected graves and shrines.</p> |
| (23) | <p>EGA for “Tun Fu” ceremonial fees</p>  | <p>This EGA may be payable to pre-1898 indigenous villages in the New Territories affected by projects listed in the Public Works Programme to facilitate the villagers’ performance of “Tun Fu” ceremonies. The EGA payable is assessed based on the approved itemised costs of the ceremonies to be performed.</p> |

4 Revision of Rates

The individual rates of the various types of EGAs are subject to review and revision by the Government from time to time under the approved mechanism, where appropriate.

5 Enquiries

Persons who are affected by land resumption and clearance exercises for the Government development projects and consider themselves eligible for rehousing arrangements or any types of EGA may approach the following offices for enquiries and information:

Acquisition Section/Clearance Office (Headquarters), Lands Department

2231 3628

New Development Area Section, Lands Department

3516 8233

(Fanling North and Kwu Tung North
New Development Areas)

3543 0189

(Hung Shui Kiu / Ha Tsuen
New Development Area)

3615 1446

(Yuen Long South Development Area)

Clearance Office

Clearance (1) Office

(Administrating District)

Hong Kong Sub-office

Hong Kong and Islands

2577 2525

Kowloon Sub-office

Kowloon and Sai Kung

2715 1057

Tsuen Wan Sub-office

Tsuen Wan, Kwai Tsing and Sha Tin

2425 3821

Clearance (2) Office

(Administrating District)

Tai Po Sub-office

Tai Po, North and Yuen Long

2664 5141

Tuen Mun Sub-office

Tuen Mun

2462 3221

Clearance Team (New Development Area Section)

3529 2415

District Lands Office

Hong Kong East

2835 1684

Sai Kung

2791 7019

Hong Kong West and South

2835 1711

Sha Tin

2158 4700

Kowloon East

3842 7450

Tai Po

2654 1263

Kowloon West

3842 7450

Tsuen Wan and Kwai Tsing

2402 1164

Islands

2852 4265

Tuen Mun

2451 1176

North

2675 1809

Yuen Long

2443 3573

It should be noted that only eligible persons who have been genuinely affected would be offered rehousing arrangements or applicable EGAs upon their submission of satisfactory proof of eligibility. Making false claims may be liable to prosecution.

This pamphlet and flexible measures for consideration under the implementation arrangement have been uploaded onto the website of the Lands Department:

www.landsd.gov.hk/en/rehouse/rehousing.htm

