

CONTROLLING OFFICER'S REPLY

DEVB(PL)355

(Question Serial No. 4716)

Head: (91) Lands Department
Subhead (No. & title): (-) Not Specified
Programme: (1) Land Administration
Controlling Officer: Director of Lands (Ms Bernadette LINN)
Director of Bureau: Secretary for Development

Question:

Regarding the implementation of the Pilot Scheme for Arbitration on Land Premium (the Pilot Scheme), please inform this Committee:

- 1) of the details of the land premium cases handled under the Pilot Scheme in 2015-16;
- 2) how effective is the Pilot Scheme in achieving its planned objectives?

Asked by: Hon WU Chi-wai (Member Question No. 139)

Reply:

- 1) The Pilot Scheme for Arbitration on Land Premium (Pilot Scheme) was launched in October 2014. Up to the end of February 2016, the Lands Department (Lands D) had made a total of 14 invitations to lot owners to settle premium discussions through arbitration under the Pilot Scheme in respect of their lease modification/land exchange applications. Among the 14 invitations, one case had proceeded to arbitration and was concluded in December 2015, while the arbitration option for another case is being actively considered by the Government and the applicant. The lot owners in respect of the remaining 12 invitations have chosen to negotiate the premium with Lands D.

Separately, Lands D has declined one application for arbitration which did not meet the policy objective of increasing land supply.

- 2) As a new initiative, time is needed for the Pilot Scheme to gather momentum and it might be too early to judge its effectiveness. Meanwhile, the Government has received comments from some stakeholders on implementation details including the detailed terms of the draft template of the Arbitration Agreement. We will fine-tune administrative arrangements along the way and conduct a general review of the Pilot Scheme after gaining more experience.

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