



Advocacy

2024 Hong Kong Policy Address Recommendations

September 2024



About Royal Institution of Chartered Surveyors (RICS)

We are the Royal Institution of Chartered Surveyors (RICS), a leading professional body working in the public interest to advance knowledge, uphold standards, and inspire current and future professionals. Our members help to create and protect built and natural environments that are sustainable, resilient and inclusive for all.

At RICS our staff work inclusively with our members, collaborating to support them in their practice and build connections. We set qualifications and independently regulate chartered professionals and firms, building trust and confidence with clients and consumers.

With a heritage of over 150 years, RICS sets the standard for over 130,000 members and candidates operating in the development and management of land, real estate, construction and infrastructure across more than 140 countries globally.

Our trusted data and insight guides decision makers and governments helping to shape public policy, deliver positive societal change and provide a foundation for confident markets. Our members influence the quality of lives, underpin societies and drive economies. Everything we do supports our current and future membership to uphold, advance and inspire professionalism for the benefit of society.

Introduction

In October 2024, Hong Kong's Chief Executive will present his third Policy Address, to put up concrete measures to improve governance, create a strong impetus for growth, earnestly address people's concerns and difficulties in their daily lives, and work together to safeguard harmony and stability.

RICS supports the initiatives and looks forward to the policies to be proposed by the Chief Executive. We would like to offer our recommendations on the areas of land uses and property usage, sustainable development and young professional engagements. From the standpoint of the built and natural environment, our sector has numerous opportunities to contribute to the city's overall goals of enhancing liveability. By aligning our daily practices with the City's Net Zero Strategy and accelerating our adoption of technology, we can make significant strides. Additionally, we recommend promoting our industry as the built environment sector and providing more support to our youth in understanding sustainability.

RICS suggest the following 31 policy recommendations for the Chief Executive and HKSAR government to consider:

1. Proper Land Use, Urban Development & Review on Property Usage

- **Consider implementing interim policy measures in allowing unused commercial buildings/spaces into residential flats and other facilities**, to accommodate to the changing demand and business environment
- Devise policies and guidance to **promote flexible buildings design and modifications of unused space** to help adapt to possible market shift in the future
- Chop large construction projects into smaller segments to **enable participation from small and medium-sized enterprises**.
- Adopt Common Guiding Principles of sustainability development and Smart City Technologies at the planning stage for new development proposals and housing estates
- Establish a task force to pool collective wisdom from public and private sectors, so as to formulate inter-departmental policies
- **Enhance the 'Common Spatial Data Infrastructure'** to achieve smart city development, improve administrative efficiency, and boost economic growth.
- Consider infrastructure, land usages, compulsory sales ordinance and standard rates policy in a comprehensive manner
- Review the current planning usages of commercial land given the current commercial demand (office and retail) in various CBDs.
- Review the existing standard rates policy given the lack of activeness for developer to redevelop and enhance urban development
- **Continue the Lease Modification** (or a Land Exchange) **for Redevelopment of an Industrial Lot** (Special time-limited arrangement for application for relaxation of development intensity) for another three years **to encourage urban renewal**

2. Northern Metropolis

- **Be bold and innovative** in plannings and executions to all development projects **in implementing sustainability and smart city concept** within the Northern Metropolis
- Develop customized statutory provisions, including land leases, building regulations, and fire safety standards, specifically for top-tier Data Centers and Supercomputing

Centers in San Tin Technopole

- Adopt renewal energy sources and green transportation models, preserve natural habitats and biodiversity where practical
- **Consult professional bodies**, consulting firms and developers, **such as RICS**, on financial models, cost controls and risk mitigation to develop public confidence

3. Government Land Sale

- **Replace scattered GIC facilities within private developments with one-stop GIC towers in each district**, to achieve economies of scale in operation and maintenance, and enhance accessibility for public users and visitors
- **Develop an additional 5% GFA**, on top of the proposed maximum GFA in larger public housing estates in the pipeline, **to provide GIC facilities in a timely manner**

4. Achieving Net Zero in the Built Environment

- Recommend the government to **build and mandate a common reporting standard for the life-cycle carbon emission of buildings** by working with professional bodies, aligning and referring to existing international standards such as ICMS3 and RICS Whole Life Carbon Assessment.
- **Mandate compulsory annual carbon reporting** (both embodied and operational carbon) to a centralized carbon database for all buildings – starting with government buildings, government sale sites, new buildings and major retrofitting, and finally to require existing buildings to report their operational carbon emissions.
- **Put all public sector buildings to join the ‘BEAM Plus EX’ assessment** and to obtain a certain rating, as a minimum requirement
- Offer financial incentives for existing building owners to join the ‘BEAM Plus EX’ assessment, and obtain a certain rating, as a minimum requirement

5. Regulatory Sustainability Requirement for Landlord and Tenants

- **Implement Minimum Energy Efficiency Standard** for all commercial buildings with a total GFA of above 10,000 m² and to impose appropriate penalty for non-compliance
- **Establish local green lease standard forms** to facilitate the adoption and implementation of green leases. Promote the use of green lease by requiring all new leases to be signed by the Hong Kong government should be green leases

6. Technology Implementation on Property Management

- **Implement Technologies** to embrace smart city technologies **to enhance the efficiency and sustainability of buildings**. This can include the integration of smart grids for energy management, intelligent transportation systems for traffic optimization, and digital platforms for efficient waste management.
- **Attract young generations to the industry** and promote the use of green technology in property management sector to contribute to carbon neutrality

7. Enhancing the Surveying Profession and Future Talents

- Increase Manpower Supply for Qualified Professionals by **recognizing global RICS surveyors as professionally qualified surveyors in public works** consultancies and as resident quantity surveyors
- **Popularize the terms and concepts of built environment** (instead of real estate, transportation, urban development etc) and sustainable development whenever possible.
- **Introduce sustainable development** as a separate subject or to introduce the concept of sustainability in all relevant subjects **at pre-tertiary education**.
- **Increase quotas for surveying-related research postgraduate** programmes by 50%
- Provide more fundings to increase admission places regarding surveying and

construction-related programmes at the tertiary level

- **Extend recruitment policies for graduates and overseas-trained professionals from Southeast Asian and belt-and-road countries**
- Provide funding for relevant student exchange programmes, conversion programmes for non-local graduates, and admission scholarships

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Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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