

CONTROLLING OFFICER'S REPLY

TLB045

(Question Serial No. 2294)

Head: (60) Highways Department
Subhead (No. & title): (-) Not Specified
Programme: (3) Railway Development
Controlling Officer: Director of Highways (YAU Kwok-ting)
Director of Bureau: Secretary for Transport and Logistics

Question:

The implementation of the Northern Link (NOL) is a major expenditure item among the Northern Metropolis infrastructure. In this connection, please advise this Committee on the following: (1) What is the estimated funding for the construction of the NOL in 2026-27? (2) With the adoption of the Mainland standards for the NOL, what is the estimated cost saving that can be brought to the development of the NOL project?

Asked by: Hon YIM Kong, Erik (LegCo internal reference no.: 10)

Reply:

The Northern Link (NOL) Project is implemented by the MTR Corporation Limited (MTRCL) under the ownership approach via the "Rail-plus-Property" model. Under this model, the Government will grant property development rights to the MTRCL to bridge funding gap of the project. The MTRCL is responsible for the financing, design, construction, operation and maintenance of the new railway projects and will ultimately own the railway. No government funding is involved.

The new Hong Kong Railway Standards promulgated by the Highways Department (HyD) facilitate the use of a broader selection of advanced construction technologies, construction materials, equipment and railway systems for new railway projects, provide clear technical specifications as the approval basis of the supervisory authorities, and also facilitate the development and optimisation of work processes by the industry, driving the new railway projects of Hong Kong with enhanced speed and efficiency, shortening construction time and reducing costs. The cost savings for individual projects vary depending on the actual circumstances, such as the nature, scale, and site conditions of the project. Regarding the NOL project, the Government is currently reviewing the project estimate provided by the MTRCL. Based on our rough estimation, the adoption of the new Hong Kong Railway Standards, coupled with the synergies generated by implementing the NOL Main Line and NOL Spur Line as one project, the construction cost is expected to be reduced by about 20% for the NOL project.

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