

It was a pristine picture at Sai Wan, but not any more

Diggers move in as businessman develops 'private lodge'

Cheung Chi-fai Jul 16, 2010

Behind a white-sand beach on Hong Kong's most pristine stretch of coastline, surrounded by spectacular hills, diggers have stripped an area bare in the latest example of construction on private land on the fringe of a country park.

The land at Sai Wan, one of four beaches fronting the clear water of Tai Long Wan in a remote part of Sai Kung, is being developed into what owner Simon Lo Lin-shing says will be an organic garden but what local villagers say will be a private lodge with artificial ponds, a tennis court and separate apartment.

Lo paid more than HK\$16 million to the owners of an abandoned village to acquire the remote site, estimated at 10,000 square metres, that is surrounded by, but is not part of, the Sai Kung East Country Park. It is accessible only on foot or by boat.

The businessman, who controls two listed companies with a combined market value of more than HK\$17 billion, last year bought up almost every plot in the village through his private investment arm, Vision Investments, jointly owned with his wife, Rouisa Ku Ming-mei.

The chairman of Mongolia Energy Corporation and Vision Values Holdings, Lo was so determined to acquire the site that he approached members of the local Lai clan who had emigrated to Britain.

Construction started early last month and the site has undergone large-scale excavation, including the removal of surface vegetation and diversion of streams running down from the surrounding hills.

As the work site is not covered by any statutory zoning, the development is not subject to planning controls. There is also no need to carry out any environmental impact assessments.

The only violation so far identified is that some of the excavated sites fall on government land.

A spokeswoman for Vision Investments said the site would become a landscaped garden and organic farm for Lo's private enjoyment and she believed it complied with government rules.

"The project is solely private and has nothing to do with his business. There won't be any large-scale works such as housing developments there," she said.

She denied the site would be used to house a columbarium, as is suspected in the case of other developments in country parks.

The spokeswoman said Lo had been approached by a middleman acting as an agent for the sale and she had no idea why he was interested in the site.

"Perhaps it is because it is large and quiet. After all, he is a very green person and loves organic farming. But of course, he cannot do the daily irrigation and ploughing work and he might hire someone else to do it for him," she said.

The land, which was settled by the Lai clan during the Ming dynasty 600 years ago, was largely abandoned in the 1960s and remaining clan members made a living providing catering or camping services to hikers and tourists at the southern end of the village.

Village head Lai Yan, who pocketed more than HK\$1 million from selling his ancestral properties, said the project would help beautify the site and enhance the village's attraction to tourists. He also said the work had been done carefully to minimise the impact on the environment.

"The old village site has been abandoned for a long time and no one takes care of it. Now is a good chance to improve the environment and make the site look nicer," he said.

Other villagers said Lo was building a private lodge and garden comprising two artificial freshwater ponds, a tennis court and a separate apartment to be converted from dilapidated single-storey village houses.

Lo, an entrepreneur known for his past role as a close aide of New World Development chairman Cheng Yu-tung, acquired 18 per cent of the listed New World Cyberbase in 2001 through one of his privately owned companies for HK\$49 million and renamed it Mongolia Energy Corporation in 2007.

The energy firm's market capitalisation soared after it announced its acquisition of overseas mining rights, and its share price rose from 10 cents in 2001 to a peak of over HK\$17 in 2008. The stock closed at HK\$2.74 yesterday.

Lo also acquired the listed New World Mobile Holdings in 2007 and later renamed it Vision Values Holdings.

Lo was formerly a director of a now-defunct private environmental technology company, along with fung shui master Tony Chan Chun-chuen who lost a legal battle for the estate of late Chinachem chairwoman Nina Wang Kung Yu-sum.

Aerial photographs show the site has been transformed in the past month, with greenery vanishing as the work site expands.

During a visit by **South China Morning Post** (SEHK: <u>0583</u>, <u>announcements</u>, <u>news</u>) reporters on Tuesday, two of three diggers were working to excavate dark grey mud but it was not clear how the machines got to the area, which has no access road.

A villager working at the site said the Agriculture, Fisheries and Conservation Department had given approval for the machines to be brought in by sea and across the protected beach, but the department said it had not given permission.

The villager also said trees such as Buddhist pines and palms would be transplanted to the site to beautify the garden.

There were no signs of pollution but dozens of metal drums that could have contained fuel or chemicals were lying around the work site.

A stream that used to run through the village has disappeared.

A spokeswoman for the agricultural department said it received a complaint about the project early last month. While there was no infringement on the country park, some adjoining government land and a stream course were affected.

The Lands Department said it posted signs yesterday warning the developer against illegal excavation on government land.

A spokeswoman said the site should be used only for agriculture and no application for a change of land use or redevelopment of the old village houses had been received.

WWF Hong Kong conservation manager Alan Leung Sze-lun said the work highlighted the short-sightedness of the government in not preserving the city's most valuable natural heritage and landscape with proper land use zonings.

"While the land is privately owned, the visual value and natural setting of the site belongs to society," he said.

The Environmental Protection Department said it found no violation of pollution control rules but would keep a close eye on the site.

In 2000, a proposed zoning plan for the Tai Long Wan beach - north of Sai Wan - triggered strong opposition over fears of excessive village house development. The plan was revised to conserve most of the area and greatly reduce the area for houses.



The scene of the excavation work at Sai Wan where villagers say a private lodge will be built with artificial ponds, a tennis court and separate apartment.



Developer Simon Lo

Photo: SCMP





A sign warning against entry to the worksite.

Photo: K. Y. Cheng



The view from the pristine waters and beach.

Photo: K. Y. Cheng



An aerial view shows a large-scale excavation behind the white-sand beach of Tai Long Wan.

Photo: SCMP