

**Progress Report**  
**Motion Debate on “Promoting green economy”**  
**Legislative Council Meeting on 6 May 2009**

**Purpose**

On 6 May 2009, the Legislative Council carried the motion on “promoting green economy” moved by Hon Alan LEONG Kah-kit, as amended by Hon Andrew LEUNG Kwan-yuen, Hon CHAN Hak-kan, Hon KAM Nai-wai and Dr Hon Priscilla LEUNG Mei-fun. Wording of the motion is at **Annex**. This note updates Members on the follow-up actions taken in respect of the suggestions put forward by Members in the motion.

**Task Force on Economic Challenges (TFEC)**

2. The Chief Executive established the TFEC in October 2008 to monitor and assess the impact of the financial tsunami on local and global markets, and provide timely evaluation of its impact on the local economy and our major industries. The TFEC proposed six economic areas where Hong Kong has good potential for further development as the priority areas for focused study, among which includes environmental industry.

3. At its meeting in June 2009, the TFEC proposed a number of measures to help promote the development of the six economic areas. On environmental industry, the TFEC considered that the Government should take the lead to build Hong Kong into a green and quality living city. Apart from legislating to facilitate behavioral change, the Government should set a good example by expanding the scope of green procurement and supporting the recycling industry as immediate measures to promote environmental industry.

4. On green procurement, the Government would expand its green procurement list, and provide guidelines and resources to government departments to encourage the procurement of green products. The Government would also stop procuring tungsten filament lamps.

5. On promoting recycling, we are planning to develop two pilot processing centres, one for plastic waste and one for waste electric and electronic equipment (WEEE), at Phase II of the EcoPark to maintain local recovery of plastic waste during economic downturn and to recycle more WEEE. Non-profit-making organizations would be engaged to operate the centres with funding support from the Environment and Conservation Fund (ECF) on a time-limited basis. It is expected that the plastic waste centre will be set up by phases from September 2009 and the WEEE centre by March 2010.

6. For the medium term, TFEC suggested that the Government should assist local industries to expand their Mainland market, e.g. by participation in environmental, infrastructural and Clean Development Mechanism projects, and encourage professional and training bodies to upgrade and equip their practitioners' professional and technical know-how on environmental services, auditing and consultancies.

### **Green Buildings**

7. Buildings account for almost 90% of the electricity consumption of Hong Kong. Therefore, enhancing the energy efficiency of buildings plays a major part in alleviating global warming and combating air pollution. To encourage the public to take concrete actions for this cause, the ECF has reserved \$150 million and \$300 million to partially subsidise building owners to conduct energy-cum-carbon audits and energy efficient projects respectively. The funding schemes have been opened for applications since 8 April 2009. As at end June 2009, we have received over 500 applications.

8. The Environmental Protection Department (EPD) has launched the "Green Hong Kong • Carbon Audit" campaign in July 2008 to encourage and assist different organisations to manage the greenhouse gas emissions arising from their daily operations and to actively participate in emission reduction activities. More than 100 organisations have participated in the campaign, with carbon audits being carried out at more than 100 private properties. A workshop was organized on 3 July 2009 for the participating organisations to share their experiences in emission reduction activities.

9. The Government will continue to lead by example in promoting green buildings. We have adopted a comprehensive target-based environmental performance framework for new and existing government buildings since April 2009, and set targets in various environmental aspects, such as energy efficiency, renewable energy, indoor air quality and greenhouse gas emission etc. We have also identified a planned new school project near Choi Wan Road and Jordan Valley, and the planned Kai Tak Government Offices as demonstration projects, for demonstrating state-of-the-art energy efficient designs and technologies.

10. On 20 June 2009, the Administration, in collaboration with the Council for Sustainable Development, launched a public engagement exercise on Building Design to Foster a Quality and Sustainable Built Environment. Energy efficient building design and installations, as well as provision of more greenery in private building developments are amongst the policy options to be put forward in the public engagement exercise. The Administration will carefully consider the findings of the public engagement exercise before deciding the way forward.

### **Circular Economy**

11. The Government has been pursuing initiatives that help promote waste reduction, recovery and recycling in Hong Kong as set out in the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)". Ongoing initiatives include territory-wide source separation of waste programmes, provision of long-term (EcoPark) and short-term land exclusively for the recycling industry, public education and partnership programmes, green procurement, and funding support for the development of environmental and recycling technology. In addition, the Environmental Levy Scheme on Plastic Shopping Bags commenced on 7 July 2009, as the first mandatory producer responsibility scheme (PRS) under the Product Eco-responsibility Ordinance enacted in 2008. The EPD will consult the public and the trade in 2009 on the legislative proposal of a mandatory PRS for waste electrical and electronic equipment.

12. All six lots in Phase I of the EcoPark have been awarded 10-year tenancies for recycling of waste wood, computer equipment, waste

cooking oil, waste plastics, waste metals and waste car batteries respectively. Construction of infrastructure in Phase II commenced in December 2008 and is on schedule. It is anticipated that Phase II works will complete by end 2009. The selection of tenants for the lots will commence as soon as practicable. To increase the attractiveness of Phase II of the EcoPark, the EPD is considering various means to alleviate the tenants' cash flow demand and to expand the scope of trades.

### **Restored landfill**

13. In order to make optimal use of the restored landfills, among the 13 closed landfills, most of them have been developed or planned to be recreational facilities for use by the public. For example, the recreation ground located at Sai Tso Wan Landfill was opened to the public in 2004. The golf driving range at Shuen Wan Landfill has been in operation since 1999. The recreation ground at Ngau Chi Wan Landfill will be completed in phases from mid 2009 to early 2010. The park at Jordan Valley Landfill will be completed in end 2009. The two projects at Ngau Chi Wan Landfill and Jordan Valley Landfill will create 300 jobs for laborers and professional/technical staff. Also, the Hong Kong Cycling Association will develop a BMX cycle park at Gin Drinkers Bay Landfill and the construction works will be completed in October 2009.

### **Sustainable Transport**

14. The Steering Committee on the Promotion of Electric Vehicles under the leadership of the Financial Secretary held its first meeting on 12 May 2009, at which it examined the strategic work plan as well as work under planning in promoting the use of electric vehicles. Following the trial on the electric vehicle from Mitsubishi of Japan in May 2009, the Government will also commence the trial on Shenzhen BYD's plug-in dual mode hybrid vehicles in July 2009. We will continue to explore with other vehicle manufacturers the possibility of conducting trials on electric vehicles of different brands and models (including commercial vehicles).

15. Provision of charging facilities is important in promoting the use of electric vehicles. We will actively explore how to encourage the

business sector, including property developers and private car park operators, etc., to provide charging facilities. In May 2009, a power company signed a Memorandum of Understanding with a private car park operator and a property management company to develop charging facilities. We will also actively study the feasibility of providing charging facilities in government multi-storey car parks.

### **Upgrading of the Environmental Standards**

16. The Government is determined to continue our efforts in improving the air quality. As regards the Air Quality Objectives, we commissioned a comprehensive consultancy study in June 2007 to review Hong Kong's and develop a long-term air quality management strategy, taking into account the latest international developments, including the Air Quality Guidelines recently published by the World Health Organization. The consultant will soon publish its review report. We will fully consult the public on the recommendations before deciding on the way forward.

17. We have submitted two amendment regulations to the Legislative Council. The first one is to limit the content of volatile organic compounds of more products, namely adhesives, sealants, vehicle refinishing paints, marine vessel paints and pleasure craft paints, in phases from January 2010. The second one is to ban the import of all products using hydrochlorofluorocarbons (HCFCs) in phases from January 2010. The proposed ban will help further reduce the local consumption of HCFCs, thereby contributing to the efforts of the international community in expediting the recovery of the ozone layer.

18. The Legislative Council Panel on Environmental Affairs was consulted in May 2009 on stipulating the specification for pure motor vehicle biodiesel and the requirements for motor vehicle biodiesel blended with diesel. We plan to introduce the enabling legislation into the Legislative Council in 2009.

### **Eco-tourism**

19. The Government will continue its works in nature conservation

and the maintenance of biodiversity, including active management of the country and marine parks. To this end, we will review from time to time on suitable sites to be designated as new country and marine parks. We will also continue to implement the New Nature Conservation Policy, in order to enhance and conserve privately owned sites that are ecologically important.

20. The Government is also preparing to set up the Hong Kong Geopark, and plans to make a submission to the Ministry of Land and Resources for listing the proposed Geopark as a national Geopark. We believe this would facilitate the promotion of local eco-tours and geo-tours.

21. To enable members of the public to learn more about Hong Kong's valuable ecological resources, the Agriculture, Fisheries and Conservation Department (AFCD) will continue to promote eco-tours through various channels, including producing publications and provide guided tours services. Moreover, the AFCD will continue to organize workshops and adopt the "Hints for Nature Appreciation", in order provide more training to the tourism industry sector.

### **Emission Trading Platform**

22. Hong Kong Exchanges and Clearing Limited launched a 2-month consultation on 26 June 2009 on certified emission reduction (CER) futures. The consultation paper seeks views on the business feasibility of developing an emissions trading platform in Hong Kong and CER futures as a product concept.

**Environment Bureau**  
**July 2009**

(Translation)

**Motion on “Promoting green economy”  
moved by Hon Alan LEONG Kah-kit  
at the Legislative Council meeting  
of Wednesday, 6 May 2009**

**Motion as amended by Hon Andrew LEUNG Kwan-yuen, Hon CHAN Hak-kan,  
Hon KAM Nai-wai and Dr Hon Priscilla LEUNG Mei-fun**

That, the Financial Secretary has proposed in the Budget this year that promoting investments and economic activities that protect the environment and save energy will put the overall economy on a more sustainable path, this Council urges the Government to take the following specific actions to promote green economy, so that it will become an economic driver of Hong Kong’s future development to create employment opportunities and reduce the costs of energy and materials of the community and enterprises on the one hand, and at the same time reverse the trend of deterioration in the environment and enhance Hong Kong’s competitiveness:

- (a) making reference to the recommendations in the global report released by the United Nations Environment Programme in February this year and the Central Government’s scale of investment, allocating at least an additional HK\$30 billion in this and next year to develop green economy, and focusing efforts on five areas, namely energy for health, green buildings, sustainable transport, circular economy and resource productivity, to create more employment opportunities;
- (b) expeditiously upgrading Hong Kong’s environmental quality standards for air, potable water, effluent discharge, energy and land use, so as to expand the markets for local green products and professional services and promote green trade;
- (c) assuming the role of leader in green economy to enhance the requirements of government departments for green procurement and implement such requirements within the current year;
- (d) making optimal use of the existing foundation laid by scientific research on environmental protection to foster public and private investment in scientific research on green products, with a view to turning the achievements of Hong Kong’s scientific research into commodities that are beneficial to the Earth;
- (e) providing greater economic incentives and more encouragement to attract the transportation industry and the public to use electric vehicles;
- (f) expeditiously introducing a financial assistance scheme to assist local property owners and enterprises in formulating energy-saving targets and undertaking initiatives to reduce carbon dioxide emissions; and

- (g) organizing the environmental services sector and the recycling industry in Hong Kong and increasing the assistance for them, so as to provide employment opportunities for low-skilled workers; considering establishing social enterprises to provide environmental and recycling services, and providing subsidies and appropriate complementary arrangements for such enterprises, with a view to fully maximizing the benefits of the EcoPark;
- (h) establishing an emissions trading platform and expeditiously enacting relevant legislation to develop Hong Kong into a centre for emissions trading;
- (i) formulating a certification mechanism and labelling scheme for green products;
- (j) adopting more pro-active measures to strengthen the conservation of natural environment, as well as further developing Hong Kong's ecotourism through effective tourism management; and
- (k) making optimal use of the restored landfills to facilitate the production of renewable energy and promote the development of other environmental enterprises in Hong Kong;
- (l) complementing the promotion of green economy through policy changes, including, in the transport aspect, providing subsidies for franchised bus companies to replace old vehicles;
- (m) providing relevant facilities for the introduction of electric vehicles, including providing adequate charging apparatuses and constructing plants for manufacturing vehicle batteries;
- (n) operating the EcoPark in the mode of an industrial estate, flexibly adjusting the areas of lands for lease according to the needs of the applicants, and leasing the lands at low rents so as to attract investors in the environmental protection industry; and
- (o) encouraging the development of a waste recovery economy, establishing a licensing regime for waste collectors and providing operation space, tax concession as well as technical support for waste collectors;
- (p) establishing an 'advisory committee on green economy' and appointing representatives from different industries to sit on it, turning the notion of green economy into different types of front-line jobs so as to create more employment opportunities, and assisting the entire population in boarding the express train of green economy; and
- (q) enhancing education and publicity to instil the concept of green living in the public.