

Hong Kong's Efforts to Combat Pollution

Overview

- Improving air quality tops the Government's agenda – the Chief Executive has pledged to continue improving air quality.
- The Government acknowledges that air pollution could affect long-term investment environment and is determined to tackle the issue.
- Air pollutant emissions have been reduced over past few years. Local emissions of nitrogen oxides (Nox), respirable suspended particulates (RSP) and volatile organic compounds (VOC) were reduced by 23%, 48% and 40%, respectively, between 1997 and 2006.

Main sources of air pollution

- Roughly 85% generated by power plants, industries and vehicles in Pearl River Delta (PRD) and 15% generated in Hong Kong.

SAR Government action

- "I Love Hong Kong I Love Green" campaign to raise awareness. Public and private sectors urged to cut electricity consumption.
- Emission caps imposed on power companies to ensure lowest possible emission of sulphur dioxide (SO₂), NO_x and RSP from power plants. The caps are being progressively tightened upon licence renewals.
- For power companies, permitted rates of return to be linked to their meeting the emission caps under the post-2008 regulatory arrangements.
- \$3.2 billion subsidy scheme to help older diesel vehicles be replaced by cleaner Euro IV models.
- Concession up to \$50,000 for people who buy environment-friendly cars with low emissions and high fuel efficiency.
- First Registration Tax waivers ranged from 30% to 100% for people who buy environment-friendly commercial vehicles with low emissions from April 2008.
- Concessionary duty rate of \$0.56 per litre for Euro V diesel (i.e. 10 ppm sulphur diesel fuel) from December 2007 to advance its availability and to encourage drivers to use it.
- Comprehensive 18-month study on review of air quality objectives began in July 2007.
- Legislation in effect from April 2007 to control VOC and the Energy Efficiency (Labelling of Products) Bill was introduced into the Legislative Council the same month to mandate energy efficiency

labelling for three most commonly used household electrical appliances.

- Pilot cross-boundary scheme for trading in power station emissions introduced in January 2007.
- Consultation on banning idling vehicles running their engines completed in March 2008. Analyzing the views collected and aiming at introducing the ban in 2009.

Guangdong co-operation

- Hong Kong Special Administrative Region (HKSAR) and Guangdong Provincial governments have agreed to reduce SO₂, NO_x, RSP and VOC emissions by 40%, 20%, 55% and 55% respectively by 2010, using 1997 as the base year.
- Both sides working hard to reach ambitious emission-reduction targets by 2010. The Mid-term Review jointly conducted by both sides on the emission reduction efforts concluded that the preventive and control measures being implemented have helped reduce substantially air pollutant emissions in the region. Guangdong will introduce additional mitigation measures to ensure achievement of the agreed targets.
- Guangdong is improving energy supply structure, speeding up installation of flue gas desulphurisation systems in thermal power plants, stepping up control on emission from industrial sources, and further tightening motor vehicle emissions.
- Besides, both sides launched the Emissions Trading Pilot Scheme for Thermal Power Plants in the PRD Region in January 2007. A joint panel has been set up in the same year to oversee operation of the Scheme. Also, we have been releasing the regional air quality monitoring results to the public on a half-yearly basis since October 2006.
- In April 2008, the HKSAR Government launched a \$93 million partnership programme under which the Hong Kong Productivity Council will, in the next five years, assist and encourage Hong Kong-owned factories in the PRD region to adopt clean production technologies and processes.

Business community action

- Hong Kong General Chamber of Commerce's Clean Air Charter encourages companies to meet emission standards. Government has signed the Charter.
- The Federation of Hong Kong Industries initiated the One Factory-One Year-One Environmental (the One-One-One) Project to

encourage its members to reduce emissions through enhancing energy efficiency and adopting cleaner production practices.

- Hong Kong Construction Association (HKCA) launched the HKCA Clean-Air Charter in August 2007 to contribute to reducing air pollution.
- The Hong Kong Environmental Industry Association and the four major commerce and industrial associations in Hong Kong are all in support of Government's new initiative in promoting cleaner production.
- A Green Financing Scheme involving five local banks commenced in January 2008. In addition, the United States Commercial Service in Hong Kong is driving forward the Pollution Prevention and Energy Efficiency (P2E2) environmental financing programme, mobilizing private-sector resources to provide financial and technical assistance to commercial and industrial enterprises, particularly those in the Mainland, for the installation of energy efficient and/or pollution control equipment.