

## **Invitation and Response Document – “Clean Air Clear Choices”**

### Preamble

Maintaining and promoting the health well-being of Hong Kong citizenry is one of the most important objectives that the Government needs to achieve in its sustainable development strategy.

Rampant air pollution, being an environmental hazard posing an acute risk to the health of Hong Kong people, is a matter of concern to the public including the business community. While the FHKI appreciates the efforts that the Government has made in tackling the problem, its eradication requires community-wide commitment and stronger co-operation between Hong Kong and its neighbouring regions.

With the growing awareness within our community that each member of society needs to play an active part in promoting the sustainability of our habitats, the public at large is increasingly prepared to adopt a life style and habits that can minimise their footprints on the environment. The Government should tap this opportunity by taking more positive, proactive and concrete measures to clean the air as well as to foster the protection of the environment in other areas, including energy saving, carbon reduction, water conservation, waste minimisation and recycling.

As a matter of urgency and priority, the efforts of the Government in tackling the problem must address the primary sources of air pollution in Hong Kong and control the emission of air pollutants by our vehicles and power plants.

### Air Pollution Alerts and Road Pricing

In principle, we are agreeable to instituting an “Air Pollution Alerts” system and road pricing as part of the Government’s strategy for tackling air pollution. However, it has to be pointed out that these two measures are essentially reactive and defensive. Actions that directly address the causes of the problem are far more important, and the Government’s attention should focus on such.

There is already wide consensus in the community on the need for the Government to take urgent steps to improve air quality. It is time for us to see effective measures undertaken and targets achieved.

In developing the “Air Pollution Alerts” system, the Government should consult the medical profession and environmental experts on the choice of benchmarks. If a coding system is used, it should be easily understood by the public so that they may co-operate by reducing pollution-prone behaviours, such as switching off idling engines and commuting by public transport instead of by private cars.

Regarding road pricing, if properly implemented, it can be an effective tool to regulate road traffic, thus helping improve congestion and roadside air pollution. In actual

implementation, it is imperative that the pricing scheme be applied only to congested areas where alternative routes are available.

In addition to regulating traffic flow, measures for improving vehicular emission should also be strengthened. While much emphasis has been placed on using cleaner fuel, the Government might have overlooked the importance of properly maintained vehicles. Poorly maintained combustion engines cause not only higher fuel consumption, but also more emissions. We suggested that a scientific maintenance condition test, such as an annual lubricant analysis on contaminants, should be applied to all combustion engines of public transportation vehicles and trucks to ensure they are properly maintained.

### Demand Side Management

We are in full support of promoting the adoption of demand side management measures in the Government and in the community, thereby encouraging more sensible and efficient use of electricity and reducing emission of air pollutants from power plants. To set a role model for the public to follow, the Government should take the lead in using more energy-efficient electrical appliances and incorporating energy conservation concepts in the design of government buildings (e.g. by following the Zero Carbon Charter recently launched by the Professional Green Building Council).

As suggested in our previous proposal to the Government on restructuring Hong Kong's post-2008 electricity market, we believe that the new Scheme of Control Agreements should require the power companies to continue to implement demand side management programmes and measures, so as to shave peak level consumption and shift consumption from peak to off-peak periods. In this regard, offering more discounts on electricity consumption during off-peak hours should be made part of these measures.

Moreover, given that water-cooling air conditioners are more energy efficient than conventional air conditioners, the Government should relax the existing restrictions on installation of water-cooling air conditioners in commercial buildings with central air-conditioning.

### Industry's Roles and Choices in Managing Local and Regional Air Pollution Problems

We understand that this public engagement exercise on better air quality by the Council for Sustainable Development deliberately focuses on the above three policy issues as discussion points among the 14 specific policy recommendations based upon the Council's 2006 Report, *Clean Air and Blue Skies – The Choice is Ours*, and that these recommendations have been made to help inform the Government's policy making process.

The FHKI acknowledges and appreciates the Council's vision in providing a roadmap on solving air quality problems in Hong Kong and in Guangdong Province, which are both local as well as regional in nature. As industry representatives, we particularly agree with the Council's view that it is now time for Hong Kong industries to play a proactive

role in addressing the environmental issues in the PRD region – the manufacturing base for Hong Kong industries. The promotion of green production, which basically means industrial pollution prevention at sources through technology advancement as well as improved management in industrial and commercial operations, has become a core component of Mainland’s industrial pollution control policy in recent years.<sup>1</sup>

In fact, the FHKI has introduced and implemented a number of industry-led voluntary initiatives on promoting and encouraging Hong Kong businesses and industries both locally based and operating in Guangdong to adopt cleaner production technologies, energy efficient measures, as well as other environmentally friendly practices in their production processes and business operations. These voluntary initiatives include the “One Factory-One Environmental Project-One Year” Programme, Green Manufacturing Alliance, Green Mark Certification Scheme, and the Business Facilitation and Incubation Centre for SME Manufacturers to Enhance Environmental Excellence.<sup>2</sup> These various FHKI green programmes have already achieved initial success as we gain positive feedback and support from the governments of Hong Kong and Guangdong Province, trade associations and industry sectors, the academia and civil society, and that both the scope and breadth of our support services (e.g. technical seminars and environmental advisory services) to Hong Kong industries in adopting cleaner production and energy efficient measures achieve considerable progress in the past two to three years.

We therefore look forward to further cooperating with the Council in areas of enhancing Hong Kong industries’ roles as well as capability in contributing positively to solving the air pollution problems in Hong Kong as well as in the regional context.

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<sup>1</sup> Effective since January 2003, The Cleaner Production Promotion Law (清潔生產促進法) has provided a legal and institutional framework for government agencies and businesses in China (and also in Guangdong) to implement various policy initiatives as well as industrial practices for cleaner production-related industrial pollution prevention measures.

<sup>2</sup> For more details on FHKI’s environmental support services and programmes for industry practitioners and SMEs, please visit its website: <http://www.industryhk.org/>.