

Submission by the Professional Commons on Hong Kong's Climate Change Strategy and Action Agenda

I. Introduction

This paper is prepared in response to Hong Kong SAR Government's consultation document on Climate Change Strategy and Action Agenda in 2010.

II. Key Issues

2.1 As evident in the consultation document, the major weaknesses of the proposed climate change strategy and action agenda could be summarized as follows:

A. Weak 'soft' Target

2.2 Despite the proposition of a reduction of carbon intensity by 50 to 60 per cent by 2020 appears to be a drastic one, it is in fact equivalent to a net reduction of 19 to 33 per cent only based on the 2005 level under an assumption of 4 per cent annual GDP growth. The commitment is far from satisfactory in terms of absolute number and baseline as it is lower than the target of 25 to 40 per cent emission reduction based on the 1990 level which was generally accepted at the 16th Conference of the Parties to the United Nations Framework Convention on Climate Change in December 2010.

2.3 There is no room for complacency although the proposed target of the Hong Kong is higher than that of the Mainland, i.e. reducing 40 to 45 per cent carbon intensity as compared with the 2005 level. It is simply because Hong Kong has positioned itself as an Asia's world city while the Mainland is basically a developing country.

2.4 More worrying, according to the government such a target is to be achieved by using imported nuclear power to satisfy 50 per cent of energy supply in 2020. This gives rise to a serious accounting question – can these 'zero-emission' nuclear power pass the 'additionality' test? If for either technical or policy reasons, such import leads to the construction of more high-emission power plants in Guangdong in order to satisfy local electricity demand, the "reduction effect" of these nuclear power will be

nullified.

B. NIMBY Syndrome

2.5 Having recommended nuclear power as the most important energy source, the Government kept a blind eye on the huge impact not only upon southern China due to additional number of nuclear power plants, but also ignored the impact to developing countries and regions involved in mining and transportation of highly radioactive materials and storage of nuclear waste. None of these issues is discussed in the government papers.

2.6 Even worse, the scramble for "clean" power from the Mainland is expected to reduce the capacity of carbon offset in neighbouring region in the long term.

Pro-nuclear camps maintain that nuclear power involves almost zero carbon emission in the form of direct emission from combustion and indirect emission from life cycle, whilst the latter ignores the fact that the emissions from mining to transporting the highly radioactive materials will adversely affect developing countries and regions, not to mention other radiation-related environmental hazards. Owing to the fact that Hong Kong will suffer none of these adverse impacts, nuclear power is recommended by the Government and power companies as a clean and safe source.

C. Over-emphasis on Supply-side Issues

2.7 The Government has put more emphasis on economic development than carbon reduction. This mentality is reflected not only by its adoption of a soft reduction target based on carbon intensity, but also its choice of approaches – whether to reduce consumption, or to increase supply albeit with low emissions.

2.8 By assuming that future low-emission supply of electricity could be imported at a low price, more costly renewable energy is put on low priority and is expected to account for a small portion of total energy supply. By the same token, other measures on demand side are not considered to be essential means for carbon reduction.

D. Neglect on Demand-side Management

2.9 Under the existing scheme of control, power companies are allowed to

maintain excessive capacity in power generation. Against this background, two systems of power grid continued to exist. This is by no means energy efficient. The amount of spare capacity in power generation has created room for CLP Hong Kong to generate excessive electricity and deliver back to the Mainland for profit in the past decade.

2.10 The proposed energy saving target is ironically dependent on indecently large demand growth. Oddly there is neither any clear target in other areas of carbon reduction nor tougher control on the demand side.

E. No Policy Integration

2.11 The Government apparently failed to link up the policies for climate change with other policy reviews underway, hence lacking a holistic perspective. Combating climate change has not been fully integrated with ongoing reviews on air quality and the built environment. If this handicap continues, it would not be possible to formulate a cohesive strategy conducive to long-term sustainability.

2.12 Demand side management requires community-wide participation. The government plan has failed to address this important issue with concrete plans.

III. Guiding Principles

As an advanced economic entity, Hong Kong should play a greater role in the international movement on combating climate change. We recommend that the following principles should be adopted in the formulation of long-term strategy and action agenda:

- More emphasis on demand side management in energy policy vis-a-vis carbon reduction on the supply side;
- Lifecycle accounting of carbon footprint for each energy source, in particular nuclear, must be conducted and included as a key consideration in setting priorities on energy supply;
- Carbon neutrality should be adopted as a long-term target in the pursuit of a sustainable city;
- Avoid NIMBY syndrome in the choice of any mitigation and adaptation measures HK must not shift its environmental burden to neighbouring

regions;

• Regional and holistic perspective in policy formulation taking into account the impact of HK action on the entire PRD carbon footprint and other sustainability impact.

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