

Progress of Reducing Emissions In Hong Kong

Progress of Emissions Reduction

5. We are making good progress in local emissions reduction measures. Apart from SO₂, whose emission level has increased due to power generation, the emission levels of all other pollutants have been on the decrease when compared with those in 1997. Generally speaking, 2005 showed further improvements over 2004. Details are as follows:

	Emission Level in 1997 (tonnes)	Changes in Emission Level during 1997-2004	Changes in Emission Level during 1997-2005	Emissions Reduction Targets for 2010
SO ₂	64,500	+47%	+31%	-40%
NO _x	110,000	-16%	-15%	-20%
RSP	11,200	-28%	-36%	-55%
VOCs	54,400	-23%	-26%	-55%

Specific Measures

6. To step up local efforts in emissions reduction, the Chief Executive announced a series of initiatives in his 2006 Policy Address:

- (a) We will launch a one-off \$3.2 billion grant scheme from 1 April 2007 to provide incentives for the early replacement of pre-Euro and Euro I commercial diesel vehicles, totalling about 74,000, with Euro IV models, within 18 months and 36 months respectively. The replacement programme will reduce 10% of NO_x and 18% of RSP of our total local emissions.
- (b) With effect from 1 April 2007, we will encourage the use of environment friendly private cars through a 30% reduction in their First Registration Tax, subject to a cap of \$50,000 per vehicle.
- (c) We plan to consult the public in early 2007 on whether legislation should be enacted to ban idling vehicles while waiting.

7. Apart from the above, the Environmental Protection Department (EPD) announced in July 2006 to conduct a detailed study to review Hong Kong's AQOs. In its study, the EPD will draw up various recommendations and implementation strategies by making reference to the new Air Quality Guidelines (AQGs) of the World Health Organization (WHO) as well as the recent research findings in air quality in the US and the European Union (EU). We will also develop a comprehensive, proactive and pragmatic air quality management strategy through public consultation and set appropriate interim and long-term targets in line with the broad direction of tightening the air quality standards.

8. It must be pointed out that the WHO recognized that the actual air quality standards set in each country will vary according to the approach adopted for balancing health risks, technological feasibility, economic considerations and various other political and social factors. It also advises that governments should consider their own local circumstances carefully before fully adopting the new AQGs as statutory standards. In our study, the Government will devise various options and conduct analyses on their economic effectiveness, social impact, technological sophistication, the time required for introducing the measures, the need to co-operate with the Mainland and the compatibility with other policy areas including energy, transportation, industrial production, urban planning and conservation.

9. Power generation is the biggest local source of SO₂ emission. We have therefore imposed emission caps on power plants. These emission caps will be progressively tightened to ensure that Hong Kong can meet the 2010 emissions reduction targets. The Chief Executive stressed in his Policy Address that we should not allow these firm targets to be compromised in any way. We have also made clear that the need to protect our environment will be the focus of the post-2008 Schemes of Control in our negotiations with the power companies. Their permitted rate of return will be linked to their achievement of the emission caps.

10. The latest progress on emissions reduction achieved by the power sector is as follows:

- (a) On retrofit projects, Environmental Permits were granted to China Light & Power (CLP) for its flue gas desulphurisation (FGD) system and selective catalytic reduction retrofit projects in November 2006;
- (b) On the wider use of natural gas, the first gas-fired generation unit (L9) of Hong Kong Electric was officially commissioned in October 2006. The CLP has submitted the Environmental Impact Assessment (EIA) report for its proposed liquefied natural gas receiving terminal. The

EPD, having carefully examined the report in conjunction with other competent authorities and consulted the relevant authorities, decided on 15 December 2006 that the report met the requirements of the EIA study brief and the Technical Memorandum on Environmental Impact Assessment Process and should be exhibited for public inspection; and

- (c) On promoting renewable energy, the CLP submitted the EIA report for its commercial scale wind turbine pilot demonstration at Hei Ling Chau in November 2006. The construction of its first commercial scale wind turbine power station is expected to complete in 2008. The EPD, having carefully examined the EIA report in conjunction with other competent authorities, decided on 1 December 2006 that the report should be exhibited for public inspection.

11. The following progress has also been made –

- (a) The statutory requirement of compliance with Euro IV emission standards has been extended to newly registered heavy vehicles (over 3.5 tonnes in weight). The tightened emission requirements came into force in October 2006;
- (b) The requirement of mandatory installation of emission reduction devices will be extended to pre-Euro long-idling diesel vehicles with effect from 1 April 2007; and
- (c) A draft regulation was submitted to the Legislative Council in November 2006 to introduce limits on the VOC contents of paints, printing inks and selected consumer products, and to make the installation of emission reduction device in certain printing process mandatory. Subject to the vetting by the Council, the new regulation will be implemented in phases starting from 1 April 2007.

Co-operation with the Mainland

12. A close partnership with the Mainland authorities is crucial to achieving the 2010 emissions reduction targets. The latest progress of the Hong Kong SAR Government and the Guangdong Provincial Government in implementing enhanced control measures under the Pearl River Delta Regional Air Quality Management Plan (the Management Plan) is set out in **Tables 1 - 4**.

13. During its seventh meeting held on 18 December 2006, the Hong Kong-Guangdong Joint Working Group on Sustainable Development and Environmental Protection endorsed the Implementation Framework of the Emission Trading Pilot Scheme for Thermal Power Plants in the PRD Region.

The Implementation Framework will be announced as soon as the relevant procedures have been completed.

14. On 31 October 2006, the two sides announced the first half-yearly report on the monitoring results of the PRD Regional Air Quality Monitoring Network. A mid-term review of the Management Plan started in November 2006 to assess the effectiveness of various emission reduction measures as well as the emission trends in the region, and to formulate appropriate strategies and enhanced control measures with a view to achieving the 2010 emissions reduction targets.

15. In 2007, both governments will continue to make their best efforts to implement and enhance the various control measures under the Management Plan. Major tasks include –

- (a) proactively improving energy supply structure, and speeding up the installation of FGD systems to thermal power plants;
- (b) further tightening emissions from motor vehicles;
- (c) jointly analysing the data collected by the PRD Regional Air Quality Monitoring Network; releasing the 2006 regional air quality monitoring report in April 2007 to provide the public with more information on the air quality in the PRD;
- (d) completing the mid-term review of the Management Plan according to schedule, and striving to meet the 2010 emissions reduction targets as agreed by both sides; and
- (e) setting up the Hong Kong-Guangdong Emission Trading Management Panel as soon as possible to promote the Emission Trading Pilot Scheme for Thermal Power Plants in the PRD Region for participation by power plants in the region on a voluntary basis. Utilising the flexibility of emission trading, agreements meeting the interests of various parties could be drawn up to reduce emission of air pollutants in the region.

Environmental Protection Department
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