

Marina Wong, JP Chartered President 黃汝璞 創會會長

Sandra Mak Immediate Past President 麥黃小珍 前任會長

Executive Board Members 執行委員會

Rebecca Choy Yung President 容蔡美碧 會長

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名譽秘書

Yuen Mei Chow Honorary Treasurer **周婉薇** 名譽司庫

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Response to the Public Engagement on Long-term Decarbonisation Strategy

20 September 2019



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Council for Sustainable Development

46/F. Revenue Tower 5 Gloucester Road Wan Chai, Hong Kong

By e-mail (comments@susdev.org.hk)

Dear Council Members.

Response to the Public Engagement on **Long-term Decarbonisation Strategy**

On behalf of the Hong Kong Women Professionals and Entrepreneurs Association ("HKWPEA"), we are pleased to submit the attached "Response to the Public Engagement on Long-term Decarbonisation Strategy" for your consideration.

Should you have any enquiries regarding our response, please do not hesitate to contact the HKWPEA Secretariat at +852 6233 5230 or email: info@hkwpea.org.

Best regards,

Rebecca Yung President

Sandra Mak

Immediate Past President and Co-Chair, Environmental Sustainability Working

Committee

Grace Kwok

Co-Chair, Environmental Sustainability Working Committee



Hong Kong Women Professionals & Entrepreneurs Association (HKWPEA)

Response to the Public Engagement on Long-term Decarbonization Strategy 20 September 2019

I. Background

Climate change has posed at least several threats to our living environment, including rising temperature and extreme weather events. This is impacting a variety of sectors of the business community.

In 2015, 196 signatories adopted the Paris Agreement (the "Agreement"), which applies to the Hong Kong Special Administrative Region ("HKSAR"). Through signing on the Agreement, all signatories are committed to limiting the rise in global average temperature to below 2°C above pre-industrial levels and striving to keep the temperature increase to 1.5°C above pre-industrial levels. Therefore, the HKSAR needs to formulate a long-term decarbonization strategy up to 2050 by 2020 and review our efforts to combat climate change every five years.

According to the Special Report on Global Warming of 1.5°C released by the Intergovernmental Panel on Climate Change ("IPCC") in October 2018, limiting temperature increase to 1.5°C could further mitigate climate risks as compared with limiting it to 2°C. To this end, it requires global carbon emissions to reach net zero by 2050. A deeper decarbonization target must be achieved through multi-disciplinary collaboration among various sectors such as lifestyle/consumption, buildings, transport, energy, as well as water and waste systems. Therefore, Hong Kong must formulate achievable strategies to meet this goal.

On 14 June 2019, the Council for Sustainable Development ("SDC") launched the public interaction phase of the public engagement on Long-term Decarbonization Strategy (the "public engagement exercise") upon acceptance of the HKSAR Government's invitation. The public engagement document has set forth three key

areas for public discussion, namely Transition towards a Low-carbon Society, Reducing Energy Use and Further Decarbonizing Electricity Generation and Low-carbon Transport in a Smart City.

As a non-profit organization representing local women professionals and entrepreneurs, the Hong Kong Women Professionals and Entrepreneurs Association ("HKWPEA") is aware of climate-related risks that may affect our business operations and daily lives. HKWPEA welcomes SDC's public engagement exercise to formulate a long-term decarbonization strategy and build a more climate-resilient city. We shall do our parts and promote sustainable business actions and green lifestyle through our network to reduce the carbon footprint of our city.

Over the last 23 years, HKWPEA strives to make timely responses to HKSAR Government's public policy issues through submission of position papers. The views expressed in this submission are those of HKWPEA, based on consultation with members, including women professionals, business executives and entrepreneurs, and are in line with HKWPEA's position on the relevant issues, but not necessarily that of each and every member.

II. Response to the Public Consultation:

General Information: Which of the following identities are you using to respond to this views collection form?

Organizations

☑ Others

O Others – business community and entrepreneurs association

Question 1: Carbon emissions by the current generation have serious implications on our future generations - extreme weather, flooding, etc. Decarbonization is an inter-generation challenge. The key way to reduce carbon emissions is to allocate resources to gradually phase out fossil fuel. Do you support this direction?

Yes. HKWPEA agrees to phase out fossil fuels and adopt clean energy to reduce carbon emissions during electricity generation.

Question 2: How would you rank the importance of different considerations (reliability, security and availability, affordability, and environmental performance and response to climate change) when considering the long-term fuel mix for Hong Kong?

Most Important

Least Important

1		2		3	4
•	Reliability	•	Affordability	-	-
•	Security and	•	Environmental		
	Availability		Performance		
			and Response		
			to Climate		
			Change		

To maintain day-to-day business operations and retain Hong Kong's status as an international financial center, HKWPEA opines that a highly reliable and secure power supply always comes first. We consider that the adoption of clean energy will help reduce carbon emissions and improve air quality, which may help improve Hong Kong's image in the international arena. However, it should be at an affordable price in order not to place an unreasonable burden on the business community, especially small and medium-sized enterprises ("SMEs").

Question 3: Do you support the measures mentioned in the preamble for deep decarbonization with a view to complying with the target of the Paris Agreement? Such measures include adopting a low-carbon lifestyle, intensifying energy saving efforts, and increasing the proportion of zero carbon energy in our fuel mix through closer regional cooperation, etc.

HKWPEA supports the measures mentioned in the preamble for deep decarbonization. We opine that adopting a low-carbon lifestyle should be prioritized. After all, only by driving behavioral change among citizens could we reduce Hong Kong's carbon footprint in any significant magnitude in the long run.

Question 4: What measures would you adopt to reduce your carbon emissions?

HKWPEA supports the implementation of carbon reduction measures through sustainable business practices such as sustainable procurement as well as energy efficiency and conservation. Details are as follows:

		Option	Reasons
<u>Procure</u>	ment_		
i.	Formulate (or tighten up) green procurement policy and provide training to staff on green procurement	⊠ Very likely	Formulating a company-wide green procurement policy could ensure different departments in a company follow established procedures for green procurement.
ii.	Purchase energy-efficient electrical office appliances (e.g. those with energy labels), such as computers, printers, LED light bulbs, etc.	⊠ Very likely	 Practising green procurement and selecting energy-efficient equipment could help improve energy efficiency and reduce carbon emissions.
Energy	Efficiency and Conserva	ation	
iii.	Participate in the Energy Saving Charter to practice energy saving measures such as maintaining air-conditioned average room temperature between 24°C and 26°C or above in summer	⊠ Very likely	 Participating in the Energy Saving Charter (the "Charter") could help drive behavioral change for staff members to reduce electricity consumption and carbon emissions.

		Option	Reasons
iv.	Retrofit office premises to improve energy efficiency, such as installing new lighting and air-conditioning systems	⊠ Likely	If budget allows, we may choose to install energy-efficient equipment during renovation to improve energy efficiency and reduce carbon emissions.
V.	Participate in the Government 4T Charter (namely target, timeline, transparency and together) to set a target and timeline to reduce carbon emissions by saving energy	⊠ Likely	Setting a clear target and timeline could ensure different departments or business units within a company work together towards a well-defined energy saving goal. However, some entrepreneurs may not have adequate knowledge of setting realistic targets.
vi.	Carry out energy / carbon audits with a view to identifying and implementing measures to reduce energy consumption and carbon emissions	⊠ Likely	Carrying out energy / carbon audits could help identify energy saving opportunities throughout daily business operations. However, it requires qualified professionals with the knowledge and skills needed to carry out audits and formulate appropriate measures to reduce carbon emissions.

		Option	Reasons
Transpo	<u>rtation</u>		
vii.	Instead of taking business trips, conduct video conferencing or use emails to reduce carbon footprint from flights	⊠ Likely	• With the rapid technology advancement in recent years, various video conferencing apps or tools have been developed to facilitate e-meetings across various districts. However, when it comes to international conferences or symposiums, entrepreneurs or business executives might still need to attend the events in person to network, connect and interact.
viii.	Use new energy vehicles (e.g. electric vehicles) as company vehicles	⊠ Likely	 Using new energy vehicles could help reduce carbon emissions on condition that there is an adequate supply of charging facilities and infrastructure in Hong Kong. Government to facilitate all types of low carbon vehicles while building the infrastructure for electric vehicles.
Policy Fo	ormulation		
ix.	Formulate (or update) waste reduction and recycling policy (e.g. paper and plastic recycling materials)	⊠ Very likely	Formulating a company-wide waste reduction and recycling policy could help reduce waste generation during day-to-day business operations, ease the burden on landfills and minimize methane emissions.

Question 5: Beyond measures listed in Question 4, what could you or your sector do to reduce energy consumption in new and existing buildings in Hong Kong? What support measures and information may be useful to further promote energy efficiency in new and existing buildings?

New and Existing Buildings:

- When searching for a new office or store, business owners might consider buildings certified by local or international green building rating tools, be it a new or existing building. This could help increase demand for green buildings in the market, which in turn encourages developers to green their buildings during design, construction and operation. A clearer indication/measurement of the energy saving performance of new and existing buildings would be helpful for business owners to choose the higher performance buildings in terms of energy saving.
- During office or store renovation, we should purchase energy-efficient equipment or even apply smart building technologies to improve energy efficiency in offices or stores.
- Currently, energy consumption in office or other commercial space is not commonly monitored and hence data is not available. Making the actual energy consumption data of office spaces available would be useful to facilitate benchmarking with similar business operations and implementation of energy saving measures.
- The CIC Green Product Certification Scheme operated by the Hong Kong Green Building Council ("HKGBC") provides stakeholders with information of energy-efficient products available in the market to facilitate effective green procurement. It might cover more relevant product categories to facilitate green procurement when selecting smart energy-saving devices and products.

Question 6: The Government has rolled out various measures to promote green buildings. To help us achieve the decarbonization target, is there a need for the Government to do more to promote energy efficiency in new and existing buildings? If yes, what further policy instruments and incentives should be implemented?

HKWPEA opines that the Government should do more to promote energy efficiency in new and existing buildings:

- The Government should walk the talk and build green government offices, adopt low carbon renovation and maintenance etc.
- The Government might consider promoting green lease in Hong Kong. No

matter setting up offices or stores in new or existing buildings, an agreement might be established between landlords and tenants to facilitate investments in energy efficiency. For instance, cost sharing is one of the clauses that is often included in a green lease. It allows landlords to pass part or all the cost of an investment in energy efficiency to tenants. Landlords benefit from an energy-efficient investment that increases an asset's value, whereas tenants benefit from reduced monthly operation costs. A wider adoption of green lease could in turn encourage more investments in energy efficiency in new and existing buildings.

Furthermore, it is crucial to provide incentives for businesses to reduce energy consumption and carbon emissions during daily operations. For instance, tenants' electricity bills might be charged based on their actual consumptions instead of floor area. This could be followed by benchmarking tenants' operational energy consumptions. To this end, retrofitting energy meters in existing commercial buildings to measure tenants' energy consumptions would be required. The Government could set out related requirements and provide subsidies for such installations.

Question 7: What are your views on promoting the wider use of green and innovative transport technologies?

HKWPEA agrees with the Government that a multi-pronged approach should be adopted to reduce carbon emissions in the transport sector. Providing adequate charging facilities in Hong Kong could help encourage a wider adoption of electric vehicles. Other low-carbon vehicles should also be promoted. We need to leverage all that we can lay hands on to start to drop our carbon footprint now, while going about measures that may require longer lead/prep time. Besides, provisions to enhance walkability and promote cycling should be considered.

Question 8: There are calls for a ban on fossil fuel powered (e.g. petrol and diesel) vehicles around the world. Some countries have announced that they will ban the sale of fossil fuel vehicles from 2030 onwards. What are your views on banning fossil fuel vehicles in Hong Kong? What other measures would you suggest to further reduce our transport-related carbon emissions?

HKWPEA agrees with the Government to ban fossil fuel vehicles on condition that there is an adequate supply of new energy vehicles and charging facilities for electric vehicles in Hong Kong. In addition, the Government might consider promoting

smart parking systems to reduce searching time, fuel consumption and carbon emissions. We can also look into fuel cell vehicles etc.

Question 9: What measures would you suggest to (a) the Government / the public sector and (b) private organizations that would motivate you as an individual to practice low-carbon lifestyle?

HKWPEA opines that the Government should take the lead in changing behavior and shrinking its carbon footprint. It should also lead in promoting smart building technologies to encourage a wide adoption of innovative technologies for monitoring energy performance of buildings. For instance, the Government may adopt smart devices such as real-time energy monitoring systems in government premises and public housing developments to monitor electricity usage in buildings and identify potential energy-saving opportunities.

In addition, private organizations such as suppliers of energy-efficient equipment and smart building devices should provide more products to suit the needs of offices or stores in various sizes to promote a wide adoption of innovative technologies for improving energy efficiency in buildings.

Question 10: Apart from all the decarbonization measures mentioned in the PE document, do you have any other suggestions to help Hong Kong reduce carbon emissions?

HKWPEA believes that public education is key to behavioural change, which is at centre of any drive to shrink our carbon footprint. The public need to know decarbonization and what it means before they can choose to make changes and to support. It is also important that in encouraging behavioural change in this regard, there are choices for members of public to maintain somewhat the pleasure of their daily living.

At any rate, business executives have started paying more attention to climate-related risks, yet not all of them are well-equipped with experiences and skills to set realistic emissions reduction targets and implement appropriate measures. We are aware that the Environmental Protection Department of HKSAR Government has worked with the Hong Kong Exchanges and Clearing Limited (HKEX) to co-organize the Carbon Audit Seminar for Listed Companies over the past few years. However, we opine that the Government should explore more opportunities

to co-organize training courses or public talks with various professional institutions or trade associations with a view to reaching out to not only listed companies but also a wider business community including SMEs. The Government might also take these opportunities to share successful business cases from enterprises that have integrated sustainable business practices into daily operations. These successful cases could provide the business community with practical knowledge of sustainable business operations so that they could start implementing appropriate measures.

In addition, the Government should also work with academic or professional institutions to establish a database of carbon footprint data items from diverse industries. This could facilitate benchmarking among enterprises in the same industry and help them set realistic emissions reduction targets for continuous improvement. The Government should also take the lead in working with all sectors to set science-based emissions targets to coordinate multidisciplinary efforts to cut carbon emissions and to ensure all sectors are on track towards reaching Hong Kong's long-term decarbonization goal.