



# BEC's Views on Environment-related Initiatives in the 2020 Policy Address

Chief Executive Mrs Carrie Lam delivered the [2020 Policy Address](#) on 25 November 2020, and one of the highlights is certainly Hong Kong's vow to achieve carbon neutrality before 2050. We are also delighted to see the Government's review on the Clean Air Plan and the Climate Action Plan, as well as the release of long-term strategic blueprints for waste management and the popularisation of Electric Vehicles (EVs) scheduled in 2021. These new roadmaps will determine Hong Kong's pace in the upcoming green transition and provide businesses with a clearer direction of the environmental policies in the coming decade.

BEC is pleased to see the Government's adoption of various BEC's policy recommendations. Our Submission on the 2020 Policy Address can be accessed [here](#). The key policy initiatives are categorised into key environmental focus areas, namely climate change, circular economy, and sustainable living environment.

We invite BEC members to join the policy discussion with Mr CW Tse, Under Secretary for the Environment, at our [Policy Dialogue Series](#) webinar scheduled on 15 December 2020 (Tuesday) 3:00 – 4:30 p.m.. Stay tuned for more details of the event.

# Climate Change

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## Highlighted New Policy Initiatives

- Achieve carbon neutrality before 2050 and update “Hong Kong’s Climate Action Plan” by mid-2021
- Tighten the statutory energy efficiency standards for buildings
- Further improve the energy performance of government buildings and infrastructure by 6% in the coming 5 years

## BEC’s Past Recommendations

- Set decarbonisation targets that would lead to carbon neutrality around 2050
- Decarbonise the buildings sector through the promotion of demand-side energy management

## We hope to see future policy initiatives that will...

- Provide incentives through rates or rents to improve energy efficiency of existing building stock
  - Establish a data collection, analysis, benchmarking and aggregated reporting system on the energy performance of buildings
  - Promote early electrification of construction sites
  - Set up a cross-departmental climate resilience team
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## BEC Insights

- BEC strongly supports and commends the Government’s ambition to strive for carbon neutrality by 2050, and looks forward to working with our members and the wider business community to strategise business climate action.
- The [BEC Low Carbon Charter](#) was launched in March 2019 to mobilise the business community to take and scale up climate actions. 73 companies of all sizes and across various sectors have joined the pledge as of November 2020. BEC organises events regularly and publishes reports to support Charter signatories in setting, operationalising, and achieving their emission reduction targets. Read more about the achievements of the signatory companies in the [BEC Low Carbon Charter Progress Report 2019](#).
- Apart from mitigating climate change by reducing Hong Kong’s carbon emission, BEC acknowledges it is important for our society and economy to be climate resilient. BEC’s “Corporate Governance for Climate resilience” project seeks to improve the climate resilience capacity of corporations in Hong Kong through sound corporate governance with reference to existing frameworks.

# Circular Economy

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## Highlighted New Policy Initiatives

- Formulate a long-term strategy blueprint on waste management to support circular economy
- Commence operation for the yard waste processing centre in early 2021
- Develop a local pulping facility to be operational by 2024 to diversify outlets for waste paper
- Explore the installation of food waste grinders in new development areas and housing projects

## BEC's Past Recommendations

- Develop a new blueprint based around the circular economy concept with a clear timeline and targets
- Promote eco-friendly product designs and improve waste separation, collection and recycling
- Expedite the passing of the municipal solid waste charging bill

## We hope to see future policy initiatives that will...

- Develop a plan for individual sectors with specific strategies highlighted to enhance circularity and facilitate a better use of resources
- Allocate land across Hong Kong (rather than on the fringe of the city) for waste sorting, separation and processing
- Provide necessary waste sorting and separation infrastructure

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## BEC Insights

- BEC reiterates our support to the municipal solid waste (MSW) charging scheme and the reintroduction of the bill to the Legislative Council in this legislative year. We believe the early implementation of the MSW charging scheme is imperative to waste reduction and material recovery.
- We emphasise the need for the Government to adopt a circular approach to resource management. To better identify the gaps and opportunities for Hong Kong to become a circular economy, BEC will publish a "Circularity Assessment of Hong Kong" report by the end of 2020.
- In a dense city like Hong Kong, building design has a huge influence over the method and efficiency in sorting, collecting, and handling different types of waste, which has a substantial role in waste reduction. BEC's "Zero Waste Design for Buildings in Hong Kong" project aims to examine zero-waste design and best waste management practices in existing and new buildings in the city, and set out recommendations for different stakeholders along the property and construction value chain.

# Sustainable Living Environment

## Highlighted New Policy Initiatives

- Formulate Hong Kong's first roadmap on the popularisation of electric vehicles in the first quarter of 2021
- Prepare a target for banning the sales of conventional fuel propelled private cars, with the long term goal of achieving zero vehicle emissions
- Update the Clean Air Plan by the first half of 2021
- Finalise the overall walkability strategy for Hong Kong and foster a pedestrian-friendly environment

## BEC's Past Recommendations

- Set out a roadmap to accelerate the transition of Hong Kong's vehicles to be powered by new energy sources
- Set a target date to phase out all fossil fuel vehicles
- Improve the walking environment and pedestrian experience

## We hope to see future policy initiatives that will...

- Encourage and promote the use of liquefied natural gas (LNG) as an interim fuel for the marine and road transport sectors
- Implement an "Avoid-Shift-Improve" approach for transportation management

## BEC Insights

- BEC looks forward to the Government's first roadmap on electric vehicles (EVs). Under the BEC Sustainable Living Environment Advisory Group, an EV Task Force was established with the goal to contribute strategic recommendations to the roadmap on EVs. The task force will submit its written submission to the Government in early December 2020.
- To further improve Hong Kong's air quality, the use of LNG in the transport sector should be considered as an interim option before other zero-carbon energy become market-ready. The construction of LNG bunkering facilities is likely to enhance Hong Kong's competitiveness as a major port in Asia and improve environmental performance of the city's maritime sector. BEC is currently conducting a research and engagement project on LNG bunkering in Hong Kong – a research report on the detailed regulatory requirements and strategic policy recommendations will be published by the first quarter of 2021.

### About Business Environment Council Limited 商界環保協會有限公司

Business Environment Council Limited ("BEC") is an independent, charitable membership organisation, established by the business sector in Hong Kong. Since its establishment in 1992, BEC has been at the forefront of promoting environmental excellence by advocating the uptake of clean technologies and practices which reduce waste, conserve resources, prevent pollution and improve corporate environmental and social responsibility. BEC offers sustainable solutions and professional services covering advisory, research, assessment, training and award programs for government, business and the community, thus enabling environmental protection and contributing to the transition to a low carbon economy.