

# Making Choices for Our Future

# Report on the Engagement Process for a First Sustainable Development Strategy





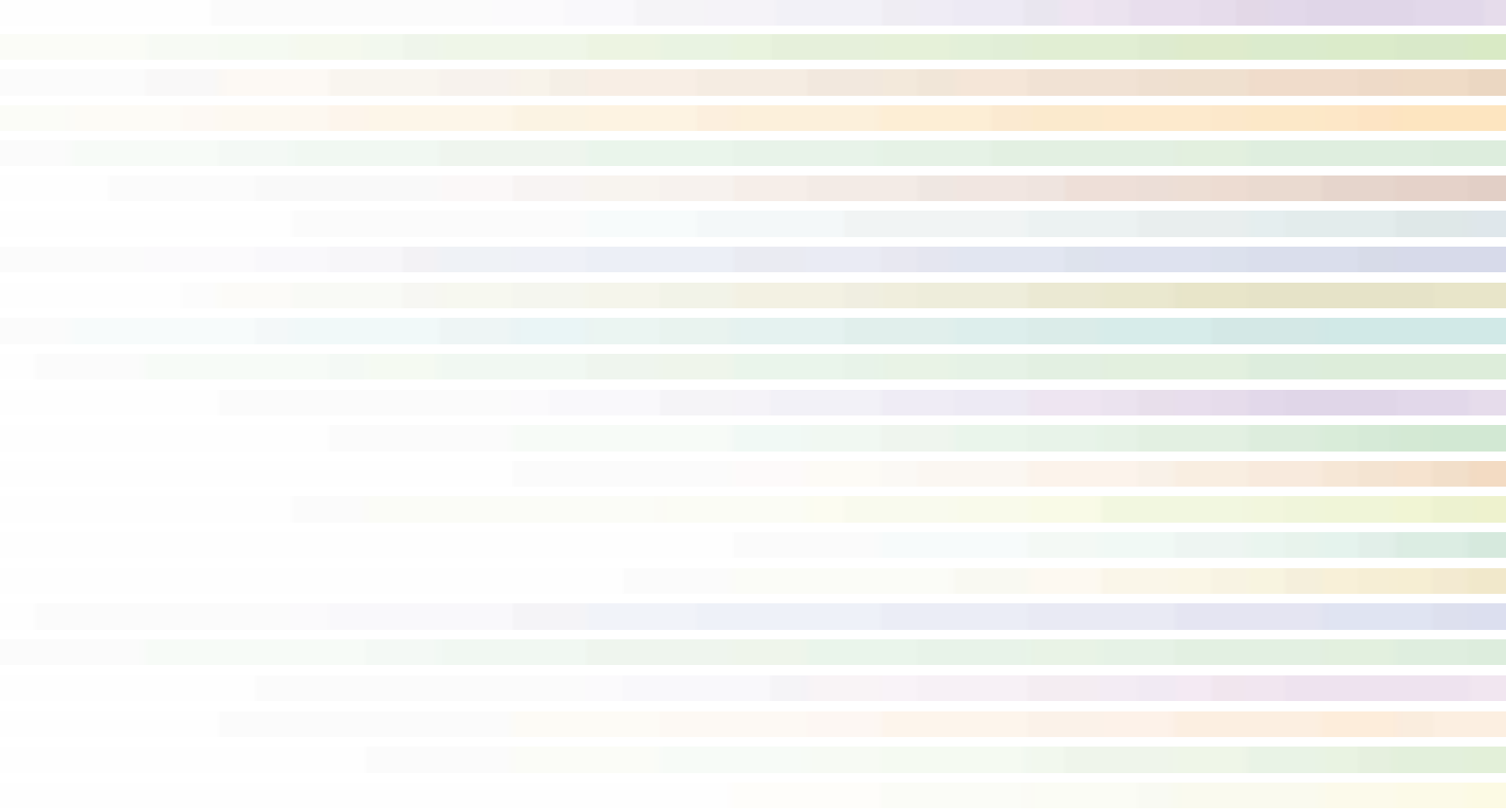
# Making Choices for Our Future

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**Report on the  
Engagement Process for a  
First Sustainable  
Development Strategy**



可持續發展  
Sustainable Development



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<i>by Hon. Donald Tsang, Chairman of the Council for Sustainable Development</i>	

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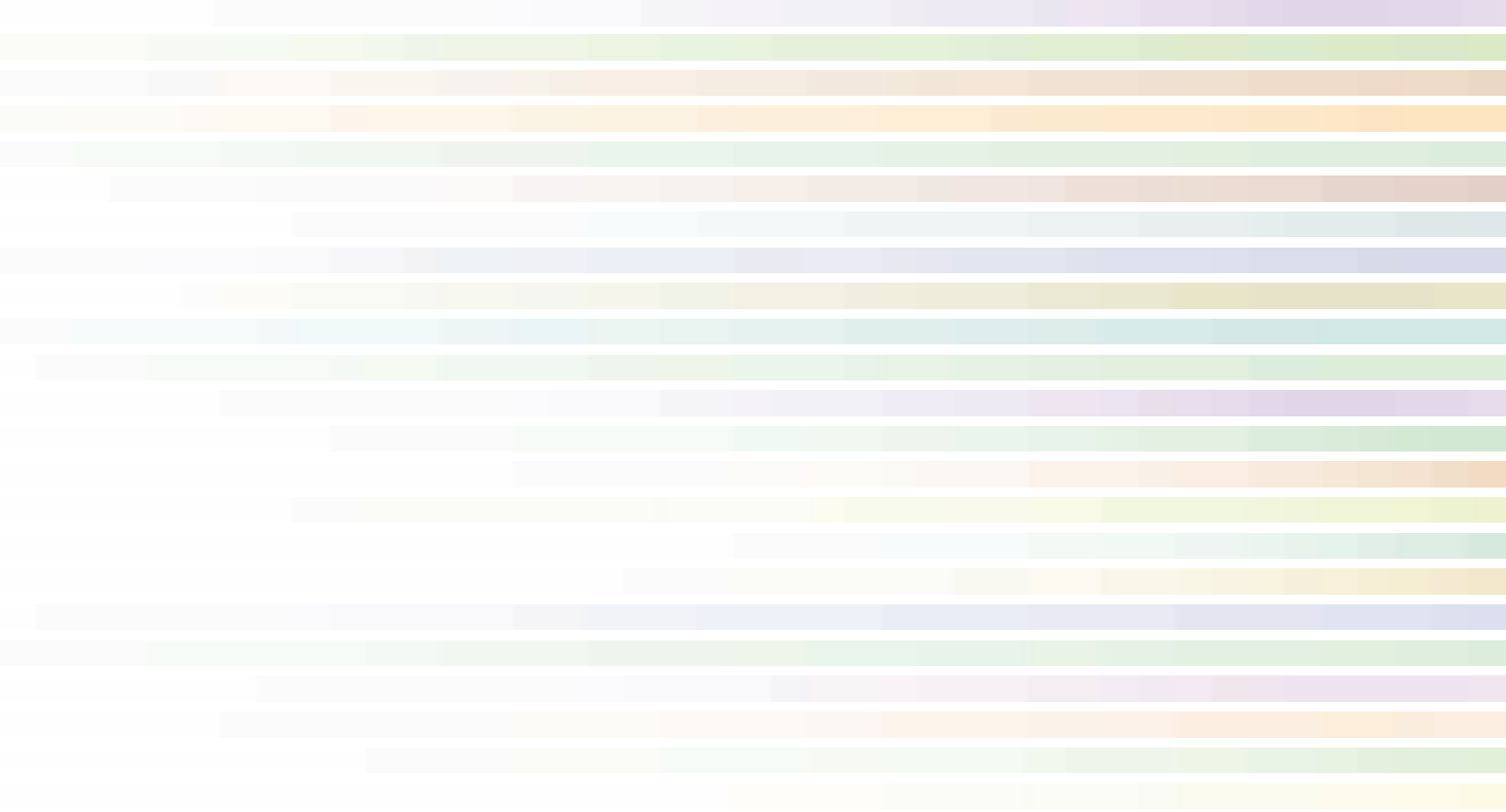
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# FOREWORD



In November 2003, the Council for Sustainable Development put forward its vision for Hong Kong to be: "a healthy, economically vibrant and just society that respects the natural environment and values its cultural heritage." The Council's vision also stressed the importance of: "engaging the community in the process of building a strategy for sustainable development... to ensure that Hong Kong will be a city for all to share and enjoy, for this and for future generations."

One of the key principles of sustainable development is that we should all work together, as concerned stakeholders, to maintain and improve the social, economic and environmental conditions of our planet for coming generations. However, in a large and dynamic city like Hong Kong, there are many stakeholders with different backgrounds and points of view. The challenge for the Council, therefore, has been to develop a process of engagement that takes account of the diverse opinions and preferences of stakeholders and allows us to point a way forward that will make Hong Kong more sustainable.

In July 2004, the Council published the "Invitation and Response" document: *Sustainable Development – Making Choices for Our Future* and launched a campaign of community engagement, through which we invited stakeholders to discuss and comment on issues related to sustainable development in three Pilot Areas: Solid Waste Management, Renewable Energy and Urban Living Space. The past nine months have provided a valuable learning experience for us all. Through public forums and workshops, interactive communication on the SD Strategy website and the submission of written views and questionnaires, there has been a high degree of community involvement in considering how to make Hong Kong a more sustainable city.

The Council is encouraged by the public's response, and we note that there is a growing level of awareness in the community of how important sustainable development is to maintaining and improving the quality of life in our city. In presenting the findings of the stakeholder engagement process, the Council recognises that there may be lifestyle changes that people will need to accept if Hong Kong is to become a more sustainable society. We are also aware that some of our recommendations will present formidable challenges to the Government if they are fully implemented. Finally, we appreciate the need to build on the lessons of this exercise to improve the engagement process and to enhance the capacity of the community to tackle the challenges of sustainable development in the many areas in which it affects our lives.

In concluding, I wish to record my appreciation of the leading role played by Edgar Cheng, as Chair of the Council's Strategy Sub-committee, in developing the engagement process. I also wish to thank the Support Groups, convened by Otto Poon, Peter Hills and Albert Lai, for the important roles that they have played in implementing the process.

**Donald Tsang**

Chairman, Council for Sustainable Development





# 1 Introduction

This document reports on the outcomes of the stakeholder engagement process carried out by the Council for Sustainable Development (Council for SD) between July and December 2004 with the aim of formulating its advice on an initial Sustainable Development (SD) Strategy for Hong Kong. It outlines the key issues raised by the members of the community who contributed to the engagement process, and presents recommendations on the way forward for sustainable policies in three Pilot Areas, namely: Solid Waste Management, Renewable Energy and Urban Living Space.

## Local Context

2. There are many internationally recognised sustainable development principles and goals, such as those set out in the United Nations Agenda 21 and the Johannesburg Plan of Implementation that are relevant to Hong Kong, just as they are relevant to other societies around the world. It is important, as we seek to build capacity to implement sustainable development locally, that we do not overlook the fact that sustainability is a global concern. However, we are at a very early stage in shaping ideas for a more sustainable Hong Kong. To help the community understand that sustainable development is not an abstract concept, but rather is an approach to achieving a better quality of life for all, the Council has initially focussed on issues that reflect aspects of Hong Kong's current development trends and the pressures on our natural environment.
3. The Council further accepts that the engagement process, as a new form of stakeholder consultation exercise for Hong Kong, can be improved and further developed. This theme is covered more fully in Chapter 6 of this report.



*During the public involvement stage of the engagement process (July – November 2004), the SD Strategy “Wishing Wells” were placed in various locations around Hong Kong, such as shopping malls, universities and transport nodes, to dispense and collect questionnaire leaflets.*

## *Organisation of the Report*

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4. Working with its Strategy Sub-committee (SSC) and the stakeholder led Support Groups<sup>1</sup> that have implemented the engagement process in each of the three Pilot Areas, the Council has distilled the views received from participants in the engagement process into a series of key principles. These principles are set out in Chapter 3 of the report. Before formulating its conclusions, the Council asked for a formal response from the Government to the "Invitation and Response" document and the key principles, and a summary of this response is set out in Chapter 4.

5. Based on the key principles, and taking note of the Government's response, the Council sets out in Chapter 5 its recommendations for sustainable policies in the three Pilot Areas. Finally, in Chapter 6, the Council presents its conclusions with regard to the overall conduct and outcomes of the engagement process, and suggests how the process might be improved going forward.

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<sup>1</sup> The membership of the Council, the SSC and the three Support Groups, together with their terms of reference, is at the Annex to this report.

## 2 Hong Kong and Sustainable Development

6. Many people regard Hong Kong's prosperous and growing economy as a model of successful development. We have measures of economic wealth, modern infrastructure and consumer lifestyles that people in other cities admire. However, there is evidence of growing concern that the price that we pay in terms of the social and environmental impacts of our economic development is unacceptably high. For example –

- Hong Kong's landfills will not be able to continue to accommodate the amount of municipal solid waste that we currently produce - in 6 to 10 years, we will have no more space in our existing landfills for any more solid waste.
- Hong Kong's reliance on fossil fuels to generate electricity raises issues of long-term resource depletion, climate change and air quality, which are part of much broader regional and international concerns.
- Hong Kong has a high development density in its populated areas as a historical result of its development pattern, which creates a congested and often unpleasant urban living environment.

7. These are three examples of challenges that we need to face if Hong Kong is to be not only "Asia's World City", but also a sustainable society. Accepting the need for change is the first step in meeting these challenges. The next step is to understand that difficult choices will have to be made that may not visibly benefit Hong Kong in the short-term but will help to ensure that future generations will enjoy a good quality of life.

### *Engaging the Community*

8. One of the fundamental principles of sustainable development is to ensure that the community, with the Government playing an enabling role, can articulate its own values and aspirations by means of a process of open, broad-based and participatory engagement.

9. Following discussions with stakeholders, in December 2003, the Council devised a five-stage engagement process, made up of the following elements –

- I. **Identifying Pilot Areas**
- II. **Preparation of an "Invitation and Response" document**
- III. **Directly involving the wider community**
- IV. **Reporting**
- V. **Government to act.<sup>2</sup>**

<sup>2</sup> A more detailed explanation of the five-stage engagement process can be found in Chapter 1 of the "Invitation and Response" document: *Sustainable Development - Making Choices for Our Future*, published by the Council for Sustainable Development in July 2004



*Public forums were held from July to September 2004 to provide further information on the three Pilot Areas and allow stakeholders the opportunity to share their initial views on these areas.*

**10.** There are many specific policy areas that have an influence on sustainable development. In order to "kick-start" the engagement process, the Council initially invited the Government to propose potential Pilot Areas. After considering the Government's proposals, the Council selected three areas, namely: Solid Waste Management, Renewable Energy and Urban Living Space.

**11.** During the public involvement stage of the engagement process, stakeholders were encouraged to put forward a broad range of views on the Pilot Areas. The "Invitation and Response" (IR) Document – *Sustainable Development: Making Choices for Our Future* set out a number of key questions, but also invited the community to address other related issues of concern. In the forums and workshops where the Pilot Areas were discussed, representatives of non-government, professional and other organisations were invited to make presentations on these issues, in order to provide both information and a platform for further discussion among participants.

**12.** Based on the feedback from the community, the Council has drawn up the key principles that appear in the following chapter. In all, the Council received over 1,900 responses to the IR document through various channels, and total attendance at the public stakeholder events was more than 1,400 people. These key principles therefore represent a very concentrated distillation of the views put forward by the public. Comprehensive reports on the feedback generated by the engagement process, including detailed accounts of the proceedings of each of the individual forums and workshops, can be found on the SD Strategy website at [www.susdev.org.hk](http://www.susdev.org.hk).

# 3 Pilot Area Principles

**13.** The principles set out below are intended to capture the spirit of stakeholders' views on what might be done to promote sustainable practices in the three Pilot Areas. The measures proposed range from public education and further research to specific programmes and policy reforms. To give an indication of how these principles might effectively be implemented, in most cases the Support Groups have suggested targets for specific courses of action. To provide further explanation of the principles, related issues of concern that were commonly raised by stakeholders during the engagement process are also presented below.

## *Solid Waste Management*

**SWM Principle 1:** Total municipal solid waste generated, prior to recycling, recovery or treatment, should be reduced by adopting the following measures: waste avoidance, using fewer materials, green purchasing, and the use of charges and incentives. *Target: Source reduction of total municipal solid waste generated by at least one percent per annum (based on 2003 levels) up to 2014*



*Discussion at a public workshop on Solid Waste Management*

### *Issues of stakeholder concern -*

- Source reduction of municipal solid waste should be supported by a public education campaign and specific policy measures to encourage the public to be less wasteful and to change lifestyle habits that create unnecessary consumer waste.
- There is a need to promote and support a more responsible approach to waste generation by the business sector, as well as community waste programmes, waste exchange initiatives and a "bottom-up" approach to waste recovery, recycling and avoidance.
- The four-tiered approach of (1) reduction at source, (2) recovery and recycling, (3) reduction of waste volume and (4) disposal of waste through landfill only as a last resort should be adopted as a hierarchy for policy implementation.



**SWM Principle 2: Legislation should be adopted to implement product responsibility schemes (PRS) in Hong Kong in order to help promote recycling and waste reduction at source.** *Target: Introduce legislation to the Legislative Council (LegCo) by 2005 with a view to implementation in 2006*

**Issues of stakeholder concern -**

- Although the Government has already undertaken studies on PRS for tyres, beverage containers, batteries and electronic & electrical products, the scope of this work should be widened to include other materials that have a significant impact on waste volumes, or a high educational value in awareness raising, such as plastic bags.
- The Government should monitor the implementation of PRS by producers to ensure that the latter do not pass on the costs unfairly to consumers.
- The design of PRS should be such that manufacturers and importers would have a strong incentive to adopt sustainable waste management practices for their products, particularly in relation to packaging.

**SWM Principle 3: Higher rates of municipal solid waste recovery should be achieved by separation at source and a combination of incentives and charges, including product responsibility schemes.** *Target: Municipal solid waste recovery rates of 45 percent and 50 percent by 2009 and 2014 respectively*

**Issues of stakeholder concern -**

- Higher recovery rates can be achieved by encouraging waste separation, for example, by providing more recycling bins and supporting the recycling industry by controlling imports of recyclable material from outside Hong Kong.
- Waste separation should be conducted at source and focused at public and private housing estates where economies of scale could be achieved and revenues from recycling waste could be reinvested in the community.
- District Councils and owners and managers of buildings should be involved in waste separation programmes to ensure that such matters are taken up at the appropriate level.
- The Government and the business community should support the recycling industry by adopting green purchasing policies and promoting initiatives such as eco-parks; providing direct subsidies to the recycling industry is not advised.

**SWM Principle 4: The burden on Hong Kong's landfills should be reduced through waste reduction, recovery, recycling and the use of best available waste treatment technology.** *Target: Landfills should only be used for final disposal of 40 percent and 10 percent of the total municipal solid waste generated (based on 2003 levels) by 2009 and 2014 respectively*

### *Issues of stakeholder concern -*

- To reduce the burden on landfills, consideration must be given to using alternative, more sustainable waste treatment methods, including thermal technologies (e.g., incineration), and to reducing waste volumes. Thermal technologies are considered to be acceptable options provided that public health and environmental standards are met.
- In considering appropriate waste treatment technologies, the Government should: 1) ensure that appropriate studies are carried out beforehand, 2) select technologies that are state of the art and based on best practice, and 3) monitor the environmental impact of any thermal treatment facilities to address public health and safety concerns.
- Thermal treatment, together with any other waste treatment technologies considered, should be part of an overall sustainable waste management strategy that includes waste reduction measures such as recycling and waste avoidance.



*At a crossroads – participants making choices on which side of the line to stand (see arrow)*

**SWM Principle 5:** Direct user charges for municipal solid waste disposal should be imposed to encourage waste reduction, without imposing an extra financial burden on low-income households and other disadvantaged groups. *Target: Introduce legislation to LegCo by 2006 with a view to having charges in place by 2007*

### *Issues of stakeholder concern -*

- User charges should be enacted in accordance with the "user pays" principle, in order to encourage households and businesses to generate less waste.
- The charging system should: 1) require minimal additional administration costs, 2) assign charges fairly to either businesses and households and 3) include appropriate enforcement mechanisms that will deter people from dumping waste illegally and penalise offenders as appropriate.
- Low-income households and other disadvantaged groups should not be unduly burdened by waste charges. In general, the Government should manage the implementation of waste charges in such a way to avoid these being perceived as a form of "double taxation".

**SWM Principle 6:** The Government should consider setting up a new, integrated waste authority to rationalise responsibility for implementing waste reduction programmes, overseeing the recycling industry, administering waste charges and managing waste facilities. *Target: Setting up of integrated waste authority by 2009*

**Issues of stakeholder concern -**

- Before setting up a new waste authority with jurisdiction to cut across departments, the establishment of an interdepartmental taskforce drawing on existing resources should be considered as an interim measure.
- The setting up of any new waste authority should not lead to the creation of additional bureaucracy.

## **Renewable Energy**

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**RE Principle 1:** The Government should promote RE by educating the public on its benefits and by highlighting the availability of funding schemes to carry out research into RE. *Target: Promotional strategy in place by 2005*

**Issues of stakeholder concern -**

- By supporting appropriate research, by working with the two power companies<sup>3</sup> on RE projects and by setting an example itself in widely adopting RE technologies, the Government would be better able to promote RE. Links should be fostered with leading RE institutions, with the aim of identifying the best technologies suitable for Hong Kong's climate and geographical conditions.
- The Government needs to explain the possible environmental implications of installing RE facilities in countryside or marine locations through public education.
- The current structure of the electricity market in Hong Kong does not favour the development of RE, therefore the Government should liaise with the power companies with the aim of facilitating RE generation.

**RE Principle 2:** The Government should develop a policy on RE and set a target for the amount of the local electricity supply to be derived from RE sources (i.e. solar, wind and energy from waste). *Target: Based on currently available technology, a minimum of between 1 and 2 percent of the local electricity supply should come from an appropriate mix of RE sources by 2012*

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<sup>3</sup> The two companies in question are CLP Holdings Ltd. and Hong Kong Electric Ltd., which supply electricity to Kowloon and the New Territories (except for Lamma Island) and Hong Kong Island and Lamma Island respectively.



#### ***Issues of stakeholder concern -***

- In order to ensure that RE generation is not dependent on one single source, a balanced mix of RE sources should be established. For example, although energy-from-waste is recognized internationally as a form of RE, we should not depend solely on this source to meet the RE target, especially in view of the overall policy to reduce the amount of waste produced in Hong Kong.
- Hong Kong's energy policy should take into account the city's role within the Pearl River Delta (PRD) region, together with a commitment to contributing to a global reduction in greenhouse gas emissions. Hong Kong should seek to cooperate with authorities in the PRD with a view to taking advantage of the land resources in the region for developing RE facilities, but must ensure that this would not simply transfer environmental problems across the boundary.
- Hong Kong should commit to following world trends on initiatives to combat global warming that are in line with RE development.

**RE Principle 3: The Government should install RE facilities at Government sites, offer incentives to developers and other parties to install RE equipment, and provide land for RE facilities.**

*Target: Incentives to be in place by 2006*

#### ***Issues of stakeholder concern -***

- The Government should promote RE through incentive schemes and appropriate allocation of land, not through direct subsidies to the RE industry. It is not advisable to make RE installations mandatory for all new buildings as the technology is still in its early stages of development and the costs are high. As technology develops and costs come down, the Government can review the need for mandatory requirements.
- The Government could take a lead by using RE at its own facilities (e.g., solar powered lamps for public facilities) and establishing an interdepartmental RE committee. Subvented organisations and property developers could follow the Government's lead and demonstrate a commitment to sustainable energy solutions.
- RE research should not be confined to wind and solar power and energy from waste, but where possible should adopt best available alternative technologies and integrate these with fossil fuels to create an optimum fuel mix.
- The Government should consider providing guidelines on the location of RE sites, which would take account of social and environmental impacts, as well as economic factors.

**RE Principle 4: The power companies should simplify procedures for small RE installations to gain access to the electricity grids.** *Target: New procedures in place by 2006*

***Issues of stakeholder concern -***

- Small RE installations can serve residents of individual buildings. Allowing such installations easier access to the grid would allow for the back-up support necessary to promote the smooth running of such systems.
- Power companies have developed technical procedures that could enable small users to obtain access to the grid as early as in 2006, and these should be implemented in accordance with the role that power companies should play in promoting RE.

**RE Principle 5: The Government should open the electricity grids to RE suppliers, including potential suppliers from the Mainland.** *Target: Open electricity grids for RE by around 2008*

***Issues of stakeholder concern -***

- The Government should consider appropriate arrangements to facilitate access to potential RE suppliers and to minimise barriers to the supply of energy from RE sources in considering the development of the electricity market after 2008.

**RE Principle 6: Power companies should include RE in their future fuel mix for electricity generation.** *Target: RE in fuel mix by 2008*

***Issues of stakeholder concern -***

- In order to support RE, power companies should embed RE targets in their own fuel mix policies and cooperate with consumers to promote RE. The Government should consider requesting power companies to incorporate RE targets as a pre-requisite for supplying electricity after the Scheme of Control Agreements expire in 2008.

**RE Principle 7: The Government should increase efforts to encourage energy conservation and efficiency through public education programmes and implementation of appropriate measures as part of an overall sustainable energy strategy.** *Target: A sustainable energy strategy to be in place by 2007*

***Issues of stakeholder concern -***

- Energy conservation and efficiency should be included as part of any energy policy based on sustainable development principles. Public education is strongly supported and additional measures in relation to demand-side management, sustainable building design and fiscal incentives should be considered.
- One important consideration in sustainable building design is achieving energy efficiency through "green" architecture to emphasise energy-saving performance.
- As well as giving incentives to energy-efficient buildings, fiscal measures should be considered to encourage users to purchase energy efficient products.



*Engaged stakeholders sharing views at a public workshop on Urban Living Space*

## **Urban Living Space**

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**ULS Principle 1:** The revitalisation and redevelopment of urban areas should provide for greater amounts of open space, retain key elements of the heritage and local characteristics of the community and be planned in the context of the needs of the whole surrounding district, not just the immediate vicinity. *Target: This principle to be included in the Urban Renewal Strategy, with appropriate reference to the SD Strategy engagement process*

### **Issues of stakeholder concern -**

- The renewal of old urban areas should take full account of how best to preserve existing communities and social structures. The quality of life for urban residents can be enhanced through the revitalisation of old areas, in particular providing more open space and community facilities, while at the same time retaining buildings of historical and cultural importance.
- For revitalisation to be effective, the Government should set clear timetables for establishing guidelines and improved consultation mechanisms for development projects. The Government should facilitate the work of organisations engaged in urban redevelopment projects (including the commercial sector).
- Changes in town planning procedures are necessary to make the planning process more transparent. The general public should be fully engaged in the formulation of key planning decisions.

**ULS Principle 2:** Further planning and development of the urban area and the New Territories (NT) should be in accordance with the principles of sustainable development, with a view to enhancing the quality of urban living space.

#### ***Issues of stakeholder concern -***

- A general preference emerged from the engagement process that more development opportunities should be explored in the NT, rather than in urban areas. There was also concern that further development should offer a range of development densities and choices of housing types.
- NT development should take place along railway routes and in conjunction with the development of other major transport nodes. The timely provision of transport and social and community infrastructure is crucial to successful NT development.
- Further NT development should not adversely affect the conservation of existing natural resources and the characteristics of the traditional rural environment.
- A range of issues that go beyond solely town planning concerns need to be addressed when considering future long-term development, namely: population policy, sustainable modes of transport, rural development policy and cross-boundary urban development.

**ULS Principle 3: Sustainable urban design should be an essential consideration in planning to improve the quality of urban living space. The provision of sustainable design features for new buildings should be considered.** *Target: This principle should be explicitly incorporated in the preparation and revision of town plans, and in the guidelines for building design features*

#### ***Issues of stakeholder concern -***

- Design guidelines for residential, commercial and other buildings should address energy conservation, waste reduction and other sustainability issues. Mandatory requirements could be considered if appropriate incentives or other measures do not result in more sustainable building design features.
- In order to improve the design of the urban environment and thereby enhance the quality of urban living space, the Government should provide more pedestrian-friendly areas, protect views of the ridgeline and limit building heights on and close to the waterfront.

## 4 Government's Response

**14.** The Government is an important stakeholder in the building of an SD Strategy for Hong Kong. Representatives of government bureaux and departments with an interest in the three Pilot Areas took part in the public events that contributed to the engagement process, sat on the three Support Groups and contributed to the discussion of stakeholder feedback and the development of the key principles set out in Chapter 3.

**15.** Recognising the Government's pivotal role in implementing the SD Strategy, the Council has asked the Government to respond formally to the issues identified in the IR document and the key principles and targets for each of the Pilot Areas. A summary of this response is presented below.

### *Solid Waste Management*

**16.** In general, the Government's view is that the findings of the engagement process and the principles and targets represent a viable way forward for sustainable waste management policies for Hong Kong. Although the Government has the responsibility for initiating many of the measures that will be needed to promote waste reduction, recovery and recycling, business groups and members of the community will need to contribute to ensure that the various elements of a sustainable waste management strategy can be successfully achieved.

**17.** With regard to the specific principles and other issues arising from the engagement process, the Government has provided the following response –

- The target of reducing levels of municipal solid waste at source by 1% annually to 2014 can be met with community support for initiatives such as those that the Government will launch in 2005 to promote waste separation and recovery.
- The Government is working on a first mandatory Product Responsibility Scheme (PRS) on vehicle tyres for Hong Kong. However, given the time required to conduct the necessary steps in the legislative process, it is unlikely that a draft Bill will be ready for presentation to LegCo in 2005.
- The proposed targets of achieving waste recovery rates of 45% and 50% by 2009 and 2014 respectively are achievable with community support.
- It is agreed that the burden on landfills can be significantly relieved through reduction at source, recovery, recycling and the use of best available treatment technologies. The Government is currently reviewing viable technologies and plans to consult the public on these. Subject to the achievement of the waste reduction target of 1% annually from 2003 to 2014 and the commissioning of major new waste treatment facilities by that date, it is estimated that by 2014 landfills would be required to handle about 25% of municipal solid waste generated.
- Based on the experience of the construction waste disposal charging scheme being introduced in 2005, the Government will consult the public on a charging scheme for municipal solid waste and draw up a workable charging method and implementation plan. Given the preparatory work required, it might be unduly optimistic to aim for a target of introducing draft legislation in 2007.

- The Government recognizes the need to review, from time to time, the institutional framework for solid waste management. Following the merger of the Environmental Protection Department with the Environment Branch of the Environment, Transport and Works Bureau in April 2005, the Government will be in a better position to assess whether further changes are needed in order to ensure that the optimum framework is in place.

## Renewable Energy

**18.** The Government undertakes to refer to the outcomes of the Council's engagement process in the context of the review of the post-2008 electricity market. It also agrees that feedback from the process should be taken into account in mapping out the future direction for development of the electricity market. As a general point, the Government cautions that sites for RE facilities should be carefully chosen, and that possible supply reliability, tariff and environmental impacts should be carefully assessed and the community kept regularly informed of any relevant plans.



*Different generations, different backgrounds – workshop discussion involved students, professionals, people from community groups and government officials sharing their viewpoints*

**19.** The Government has responded in detail to the principles and targets outlined in Chapter 3 as follows –

- The Government will continue to promote RE through publications, the sharing of technical data and information and by including chapters on RE and energy conservation in the school curriculum. Further activities will be launched in conjunction with the two electricity companies following the establishment of the first commercial scale wind turbine in Hong Kong in 2005-06, and funding support for research on RE will be provided through the Environment and Conservation Fund.
- A target of 1-2% of local electricity supply to come from renewable sources by 2012 is attainable. This could be set as an initial goal, and reviewed periodically in the light of technological advancement and the changing aspirations of the community.



- The impact of using RE on tariffs and supply reliability needs to be carefully assessed. Furthermore, using RE should not place an unacceptable financial burden on consumers, nor adversely affect Hong Kong's economic growth.
- The Government will continue to require all its projects to take advantage of RE as far as practicable. It will explore the suggestion of offering incentives to developers and other parties to install RE facilities, however, this might have significant financial and economic implications and whether it is a cost-effective means to promote RE should merit further study. In view of the fact that several government agencies would have an interest in this area, it is not possible to commit to having a system of incentives in place by 2006.
- Under the current Scheme of Control Agreements (SCA) with the two power companies, prior to 2008 any proposed amendments to current arrangements for grid access require their consent. The Government will encourage the power companies to issue clear guidelines to facilitate the installation of small RE systems at user level as soon as practicable. The possible introduction of appropriate arrangements to facilitate grid access for RE suppliers would be considered in the context of the future development of the electricity market<sup>4</sup> after the expiry of the SCA in 2008, having regard to reliability, safety, cost and liability issues (with specific RE targets being evaluated as an environmental issue).
- The Government will impose total emission caps on the power companies.
- A comprehensive programme to encourage energy efficiency and conservation will continue to be implemented, through means such as housekeeping measures, installation of energy-saving equipment and the development and promulgation of building energy codes and energy efficiency labeling schemes. Campaigns, workshops and seminars to educate the public on energy efficiency and conservation will continue.

## *Urban Living Space*

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**20.** The Government notes that the engagement process has generated considerable feedback on issues related to urban planning and development. In some respects the findings are similar to some of the initial conclusions from the consultation process of the "Hong Kong 2030" study.

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<sup>4</sup> "Consultation Paper on Future Development of the Electricity Market in Hong Kong: Stage I Consultation" issued by the HKSAR Government in January 2005

**21.** There is a general consensus that greater emphasis should be put on revitalisation as a means of renewing old, rundown urban areas, rather than simply resorting to full-scale demolition and redevelopment. With regard to the question of whether the future focus of development should be on the urban areas or the New Territories (NT), a number of concerns regarding the nature of future development plans have been raised. As regards sustainable urban design, there are clear indications from the engagement process that improvements to the urban landscape and to the design of individual buildings would have a positive effect on the quality of urban living space.

**22.** Specifically, the Government has responded to the principles and targets that emerged from the stakeholder engagement process as follows –

- The Government will endeavour to formulate guidelines on the revitalisation and redevelopment of urban areas for inclusion in the Urban Renewal Strategy by 2006. Issues such as the provision of more open space can be addressed through the planning procedures or by the Urban Renewal Authority (URA) as appropriate. The URA will also engage the community fully in consideration of how its projects can best reflect district character and community needs.
- It should be noted that not every renewal project would offer an opportunity to provide additional open space, especially where such projects involve only small clusters of dilapidated buildings.
- As regards the issue of whether future development should focus on urban areas or the NT, there are certain cost implications to focussing future development in the NT, and these would have to be brought to the public's attention in order to inform further debate on this issue. The comments that have been put forward during the engagement process will help shape the Government's thinking as it takes forward planning choices for Hong Kong's sustainable development.
- The Urban Design Guidelines promulgated by the Planning Department in 2003 have taken into account sustainable development principles. The implementation of mandatory requirements for sustainable urban and building design has cost implications, which would need to be clearly spelled out in taking forward any detailed proposals in this area. Incentives, whether financial or otherwise, or other measures to encourage the construction of "green" and innovative buildings will continue to be considered, for example, the development of a labelling system for environmentally friendly and sustainable buildings.



# 5 Recommendations

**23.** The Council has reviewed the feedback from the stakeholder engagement process and the key principles and issues of concern that have been distilled from that process, as described in Chapter 3 of this report. It has also noted that in general the Government has reacted positively to the process, both as a participant, and in responding to the key principles. Based on the outcome of the engagement process and the feedback from stakeholders, including the Government, the Council puts forward the following recommendations as the basis for a Sustainable Development Strategy for the three Pilot Areas.

## *Solid Waste Management*

**24. The Government should further promote solid waste recovery and recycling** by providing support for the recovery and recycling industries, encouraging behavioural changes through product responsibility schemes and direct user charges, and enhancing its own "green" purchasing policies. The Government should work with business groups and the wider community towards a target of reducing the amount of municipal solid waste generated in Hong Kong by one percent per annum (based on 2003 levels) up to 2014.

**25. Legislation for Product Responsibility Schemes (PRS) should be introduced** as a matter of priority. The Government should draw up a legislative timetable to develop the first PRS, and should look to target materials that have a significant volume impact on waste disposal, as well as considering incentives that would encourage manufacturers and importers to adopt waste avoidance measures. Subject to further discussion with stakeholders, the proposed timing for introducing legislation should be within the next legislative session beginning in 2005.

**26. Solid waste recovery targets of 45 percent and 50 percent** by 2009 and 2014 respectively should be achieved in Hong Kong. Solid waste separation can be facilitated by expanding community-based schemes, developing local initiatives with District Councils and community groups, and working with large commercial and residential developments to achieve economies of scale.

**27. The Government should identify alternative forms of waste treatment**, in order to reduce the amount of solid waste that is disposed of in landfills. New facilities, which might use methods such as incineration, material recovery with gasification and refuse-derived fuel for co-combustion and composting, should be suitable for Hong Kong's needs and meet rigorous safety and environmental standards. In this regard, it will be essential to ensure that the community has access to relevant information and can participate in decisions on choices of technology. The Government should consider setting a landfill disposal target of between 10 and 25 percent of total municipal solid waste generated by 2014.

**28.** Following an assessment of the results of the construction waste charging scheme to be launched in 2005, the **Government should introduce legislation on direct charges for municipal solid waste**, in order to encourage households and businesses to reduce waste volumes. Subject to discussion between the Government and stakeholders, such legislation could be introduced in the legislative session beginning in 2007, on the assumption that by that time, the potential for further waste reduction and recycling opportunities will have been fully explored and product responsibility schemes will be in place.

**29. The Government should review the current waste management mechanism** and report on its findings by the end of 2005. The review should consider the most effective institutional mechanism for implementing waste reduction programmes, setting and administering waste charges, managing waste facilities and monitoring the recovery and recycling industries. Key considerations for the review should include: the pursuit of eco-efficiency, cost transparency, public accountability and the effectiveness of measures aimed at achieving a common purpose and concerted action among all institutional players.

### *Renewable Energy*

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**30. The Government should step up its campaign to promote RE in Hong Kong** and develop a promotion programme in 2005. It should take a visible, public role in monitoring the performance of the first commercial scale wind turbine in Hong Kong, and should ensure that the availability of funding for research is maintained and well publicised.

**31. The Government should develop a policy on RE** that aims for a minimum of 1-2 percent of Hong Kong's total electricity supply to be provided from RE sources by 2012. This target should be an initial goal, subject to further review based on technological advancements, supply reliability issues, cost to consumers and changes in community aspirations. In addition, the Government should ensure that there is an **appropriate mix of RE sources** so that most RE is not generated only from one single source.

**32. The Government should consider developing an incentive scheme or other measures** that would encourage developers to install RE facilities in new commercial and residential buildings in 2006. The Government should lead by example by continuing to install RE facilities in all new projects where practicable, by publicising widely such installations and by considering how best to provide land for RE facilities.

**33.** With the cooperation of the two power companies, **clear technical guidelines for direct RE users to access the grid** could be in place by 2006. The Government should encourage the power companies to contribute to the promotion of RE by developing such procedures.

**34.** Until the end of 2008, opening up the existing electricity grids to RE suppliers (including Mainland suppliers) would only be possible with the consent of the power companies. The Government should work with the power companies and other stakeholders to consider **options for allowing grid access to RE suppliers** when reviewing regulatory arrangements for the post-2008 electricity market.

**35.** The Government should set emission standards requirements that would encourage the power companies to include **RE in their fuel mixes** as part of their generation strategies by 2008.

**36.** There is a need to improve energy efficiency and conservation and to enhance demand-side management in order to move towards more sustainable energy consumption. The Government should build on existing programmes in this area, and should develop a **policy for sustainable energy use** by 2007.

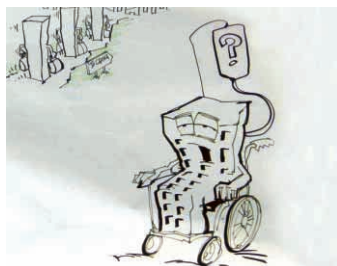
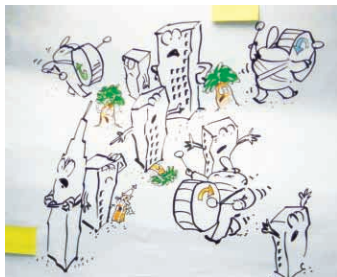
## Urban Living Space

37. Working with stakeholders, including the Urban Renewal Authority, the Government should set clear **principles for the revitalisation or redevelopment of urban areas**. In particular, aspects such as open space provision, the retention of local heritage and the social characteristics of the wider district in question should be considered. These principles should be included in the Urban Renewal Strategy by 2006, and these should be widely publicised, to ensure that stakeholders are able to play a full and constructive part in the planning process.



38. The Government should explain the relative social, economic and environmental implications of **further residential and commercial development in the urban areas and the New Territories (NT)**. This could be done in the context of the "Hong Kong 2030" study, so that a clear framework for planning for sustainable urban living space would be in place by 2006. The relationship between further development and issues such as population policy, cross-boundary urban development, rural development and sustainable transport networks needs to be further explored.

39. **The Government should continue to implement and keep under review the current guidelines on sustainable urban design.** Having regard to the effectiveness of incentives and other measures in promoting **sustainable building design features**, the Government should also consider, in consultation with stakeholders, the implications of introducing mandatory **requirements**, and should draw up appropriate recommendations by 2007.



*Illustrating comments at an Urban Living Space workshop*

## 6 Conclusions: The Engagement Process

40. The need to engage members of the community widely in formulating an SD strategy is clearly articulated in Principle 10 of the Rio Declaration (which followed the 1992 United Nations Earth Summit), which states that such issues: "are best handled with the participation of all concerned citizens, at the relevant level."

41. In performing its role as the Government's advisor on an SD Strategy for Hong Kong, the Council has attempted to devise a broad-based, inclusive and transparent process to engage key stakeholders in dialogue, information sharing and decision-making. A wide range of community, business and government organisations were approached by the Council and the Support Groups. In order to reach out to diverse stakeholders with divergent views as well as grassroots and disadvantaged community groups, the Council invited three organisations, namely: the Business Environment Council, the Hong Kong Council of Social Service and the Hong Kong People's Council for Sustainable Development to be partners in the engagement process.<sup>5</sup>

42. Between July and December 2004, more than 17,000 copies of the Council's "Invitation and Response" document: *Sustainable Development – Making Choices for Our Future* were distributed to the public, as well as 32,000 summary leaflets and questionnaires. The Council hosted four public forums, 11 regional public workshops, a Youth Forum and an SD Strategy Summit. Total attendance at these events exceeded 1,400 people, and a further 22,000 people were estimated to have visited the Council's exhibition on sustainable development and the three Pilot Areas that toured various public locations between August and October.

43. Participating stakeholders included representatives of NGOs, District Councils and other district-based organisations, the Government, the Legislative Council, Chambers of Commerce and other business groups. Many individuals, in their capacities as consumers, students, teachers, workers, experts and concerned citizens also took part, with some involved in more than one activity.<sup>6</sup>

44. The response to the engagement process appears to reflect a growing awareness and concern in the community for Hong Kong's sustainability. As noted in Chapter 2, the Council received over 1,900 responses through the channels set up specifically to gather stakeholder views on the Pilot Areas. In implementing the engagement process, the Council has been receptive to comments not only on the Pilot Areas and the SD Strategy, but also on the process itself and how this might be improved in the future. In this regard, stakeholders generally reported that the engagement process had helped to increase their understanding of sustainable development, and had provided a suitable environment for considering key issues related to the Pilot Areas.

<sup>5</sup> The Council also received support and advice from a number of other organisations, in particular: Friends of the Earth (Hong Kong), the Hong Kong Federation of Youth Groups, the Hong Kong General Chamber of Commerce and the Hong Kong Institution of Engineers.

<sup>6</sup> A detailed list of participants in the engagement process events is available on the SD Strategy website, at [www.susdev.org.hk](http://www.susdev.org.hk).



*Working in partnership for a sustainable future – discussion at a public workshop on Renewable Energy*

### ***Building on the Engagement Process***

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**45.** Based on stakeholder feedback, the Council has identified ways of enhancing the engagement process, which it will further consider. These include –

- A process for selecting new areas for engagement should be established that would allow stakeholders to have a greater say in the choice of topic and the parameters of discussion.
- Future engagement exercises should involve wide outreach aimed at different levels. Appropriate resources should be put into enabling all groups to participate in the process and contribute to strategy formulation.
- The involvement of individuals who are representatives of stakeholder groups but who can also maintain independence (e.g., as Convenors or Support Group members) throughout the exercise should continue.
- One of the key areas to build on is the continued engagement of Hong Kong's youth population. The Youth Forum provided a valuable means of reaching out to the young people of Hong Kong and highlighted the fact that one of the cornerstones of sustainable development is concern for the wellbeing of future generations.

**46.** The engagement process is a pioneering initiative for Hong Kong. Its design and effectiveness have inevitably been subject to a number of constraints, such as a tight timetable, limited resources and lack of prior experience. Nonetheless, the Council has attempted to set up as wide a platform as possible for members of the public to participate in the debate of the issues related to the formulation of the SD Strategy, free of undue influence or preconceived positions on the part of the Council or the Government.



47. With the experience gained over the past year, and with a view to enhancing further the mechanisms for building an SD Strategy for Hong Kong - with full stakeholder participation - the Council will review the outcome of the engagement process and consider how this might be improved. In so doing, we will continue to seek stakeholder support to facilitate the achievement of our vision for a sustainable Hong Kong:

**"Our vision is for Hong Kong to be a healthy, economically vibrant and just society that respects the natural environment and values its cultural heritage. By engaging the community in the process of building a strategy for sustainable development, we aim to ensure that Hong Kong will be a city for all to share and enjoy, for this and future generations."**



*Sharing concern for a sustainable future – discussion at a public workshop on Solid Waste Management*

## Terms of Reference and Membership of the Council for Sustainable Development

### *Terms of reference –*

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- (a) To advise the Government on the priority areas it should address in promoting sustainable development;
- (b) To advise on the preparation of a sustainable development strategy for Hong Kong that will integrate economic, social and environmental perspectives;
- (c) To facilitate community participation in the promotion of sustainable development in Hong Kong through various means, including the award of grants from the Sustainable Development Fund; and
- (d) To promote public awareness and understanding of the principles of sustainable development.

Chairman: **Chief Secretary for Administration**

Vice-chairman: **Dr Edgar Cheng, GBS, JP**

Members:

- Dr Lily Chiang**
- Ms Choy So-yuk**
- Mr Barrie Cook**
- Ms Christine Fang, JP**
- Mr Hans Michael Jebsen, BBS**
- Mr Thomas Kwok, JP**
- Professor Lam Kin-che, JP**
- Mr Andrew Liao, SBS, SC, JP**
- Ir Otto Poon, BBS**
- Mr Tai Hay-lap, BBS, JP**
- Mr Tik Chi-yuen, JP**
- Professor Tsui Lap-chee**
- Secretary for Economic Development and Labour**
- Secretary for the Environment, Transport and Works**
- Secretary for Health, Welfare and Food**
- Secretary for Housing, Planning and Lands**

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## Terms of Reference and Membership of the Strategy Sub-committee

### *Terms of reference –*

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- (a) To assist the Council for Sustainable Development with the formulation of a Sustainable Development Strategy for Hong Kong;
- (b) To engage stakeholders and the community and implement a consultation programme as agreed by the Council for Sustainable Development with a view to ensuring that the Sustainable Development Strategy is inclusive and widely accepted by the community; and
- (c) To report regularly to the Council for Sustainable Development on progress with the formulation of the Sustainable Development Strategy.

Chairman: **Dr Edgar Cheng, GBS, JP**

Members: **Dr Lily Chiang**  
**Ms Choy So-yuk**  
**Professor Lam Kin-che, JP**  
**Ir Otto Poon, BBS**  
**Mr Tik Chi-yuen, JP**  
**Secretary for the Environment, Transport and Works**  
**Ms Anne Copeland Chiu\***  
**Professor Peter Hills \***  
**Mr Albert Lai \***  
**Mr Chandran Nair \***  
**Mr Ng Shui-lai, BBS, JP \***  
**Ms Edith Terry \***  
**Mr Peter T S Wong, JP \***

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\* *Co-opted members*



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## Terms of Reference and Membership of the Support Groups

### *Terms of reference –*

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- (a) Identify key issues relevant to Hong Kong's long-term sustainability in the Pilot Area, with appropriate reference to international experience and best practice.
- (b) Collect relevant background information (with reference to local and international experience) and compile an "Invitation and Response" document.
- (c) Design and implement an engagement process for public discussion of the "Invitation and Response" document and related issues.
- (d) Present the "Invitation and Response" document to the public and encourage and facilitate interactive discussion by stakeholders with a view to building consensus among major groups.
- (e) Receive and collate responses from stakeholders, with a view to making proposals to the Council for Sustainable Development.

### *Support Group on Solid Waste Management*

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Convenor: **Mr Albert Lai**

Members: **Mr Chua Hoi-wai**  
**Dr Chung Shan-shan**  
**Professor Sunny Kwong**  
**Mr Lam Kin-lai**  
**Mr Billy Leung**  
**Dr Man Chi-sum**  
**Mr Chandran Nair**  
**Professor Poon Chi-sun**  
**Mr James Tam**  
**Mr Plato Yip**  
**Assistant Director of Environmental Protection**  
**Principal Assistant Secretary for the Environment, Transport and Works**

### *Support Group on Renewable Energy*

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- Convenor: **Ir Otto Poon, BBS**
- Members: **Ms Anne Copeland Chiu**  
**Mr Manab Chakraborty**  
**Professor K C Chan**  
**Mr Gary Chang**  
**Professor Ho Kin-chung, BBS**  
**Dr Gail Kendall**  
**Ir James Kwan, JP**  
**Dr Ng Cho-nam, BBS**  
**Deputy Director of Electrical and Mechanical Services**  
**Principal Assistant Secretary for the Environment, Transport and Works**  
**Chief Assistant Secretary for Economic Development and Labour**

### *Support Group on Urban Living Space*

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- Convenor: **Professor Peter Hills**
- Members: **Dr Chan Wai-kwan, JP**  
**Professor Anthony Cooray**  
**Professor Timothy Hau**  
**Mr Michael Lai, JP**  
**Mr Andrew Lam**  
**Dr Lo Ka-shui, GBS, JP**  
**Ms Iris Tam, JP**  
**Mr Tik Chi-yuen, JP**  
**Mr Lew Young**  
**Assistant Director of Buildings**  
**Assistant Director of Planning**  
**Principal Assistant Secretary for Housing, Planning and Lands**