

Speech by:

Mr CF WONG, Principal Environmental Protection Officer,
Environmental Protection Department, HKSAR

WTO Regional Workshop on Intellectual Property and its Role in the
Generation and Diffusion of Green Technologies

Session VIII: The Ecosystem of Knowledge Transfer in
Green Technologies

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Professor Chai, distinguished guests, ladies and gentlemen,

I am most delighted to join you at this round table today. The theme of this WTO Regional Workshop is Intellectual Property and its Role in the Generation and Diffusion of Green Technologies. First of all, I must confess that I'm not an expert to talk about Intellectual Property (IP). But the two letters "I" and "P" are very relevant to what I am going to share with you today. The first "IP" I would like to talk about is on how the government's "I"nvestment (i.e. the letter "I") and "P"olicies (i.e. the letter "P") can help to promote the generation of green technologies.

The "I" - Investment

2. Waste management is one of the key environmental challenges in Hong Kong. Over the years, we invested a huge amount of money to get our wastes, from ordinary household waste to industrial hazardous waste, handled in an environmentally sound manner.

2. Every year, we spend nearly 1.5 billion in the treatment and disposal of waste. This annual cost goes solely to the operation of our world-class waste disposal facilities, not to mention the cost for waste collection or recycling. In the years to come, Hong Kong will invest further even bigger amount for a new generation of waste infrastructure, including 18 billion for the development of a state-of-art waste-to-energy facility, 5 billion for construction of a sludge treatment facility, 9 billion for the extension of three operating sanitary landfills, 1.5 billion for the development of modern organic waste treatment facility, and another half-a-billion for establishing a new plant for the recycling of waste electrical and electronic equipment. To promote upstream waste recycling, we have also earmarked 1 billion to set up a Recycling Fund to support the sustainable development of the local recycling industry.

3. Air quality is another key environmental challenge in Hong Kong. Just started this year, we will spend over 11 billion for the purpose of phasing out all pre-Euro IV diesel commercial vehicles (a fleet of around 82,000 vehicles) in the city. Apart from this large scale funding injection, there are other economic incentives for the purpose of improving the air quality in Hong Kong and in the PRD region. Let me just share with you two examples, again to clean up the pollution on road.

4. The first example is to help nurture the development of green transport technologies in Hong Kong. We have set up a \$300M Pilot Green Transport Fund to test out green innovative transport technologies. So far the Fund has approved applications to test out various types of electric vehicles and hybrid vehicles. The second example is about the promotion of environmentally friendly vehicles in Hong Kong. We have

been offering concession in First Registration Tax (FRT) to encourage the use of environment-friendly vehicles in Hong Kong. In particular, we have waived the First Registration Tax on Electric Vehicles. We also provide tax incentives for the business sector to introduce EVs into their fleets by accelerating tax deduction for capital expenditure on EVs.

The “P” - Policies

5. May be I’ve talked too much about money? Let us now talk about the “P” – Policies. In 2013, we had drawn up two comprehensive blueprints to improve Hong Kong's environment - a Clean Air Plan and a 10-year Blueprint for Sustainable Use of Resources (the Air Blueprint and the Waste Management Blueprint) for Hong Kong.

Air Policies/Legislations

6. To improve the local and regional air quality, we have been implementing the following policies and legislations:

(i) we have put in force an updated Hong Kong’s Air Quality Objectives (AQOs) on 1 January 2014 to further protect public health. To attain the new AQOs, the Government has put forward a wide range of new air quality improvement measures requiring the support of the state-of-the-art green technologies;

(ii) to control the emission from power plants, which is one of the largest air pollution sources, we have set out in a legal document [the 3rd TM under the Air Pollution Control Ordinance], the emission caps for these power plant operation. We also review from time to time the emission

caps in the legal document.

(iii) air pollution do not respect boundary. Hong Kong has been working closely with its regional partners, including Guangdong and Macao, to combat air pollution. The three sides have established a joint Air Quality Monitoring Network to provide comprehensive air quality information to the public.

Waste Policies/Legislations

7. On waste management side, we are taking forward the following policies and legislations to achieve our waste reduction target as set out in the Waste Management Blueprint:

(i) Charging - we have completed a public engagement process to design the municipal solid waste (MSW) charging system in Hong Kong. We are conducting an in-depth analysis on the views collected and formulating our recommendations on implementing MSW charging;

(ii) Producer Responsibility – with a framework legislation already in place for introducing different producer responsibility schemes (PRS), we will soon introduce the PRS for waste electrical and electronic equipment. We will also prepare legislative proposals for the PRS on glass beverage bottles, with reference to the result of public consultation.

11. The above are just the relevant “I” and “P”, I meant government investments and policies, in the environmental areas of air quality and waste management. There are other environmental areas requiring the application and support of innovative green technologies, such as water

quality management, energy efficiency and combating climate change. In the interest of time, I would not go into details of these other areas one by one.

The 2nd “I” & “P”- the annual Eco Expo Asia

12. Now, I would like to make use of the opportunity to briefly talk about the 2nd “IP” “International Platform” relating to our effort in promotion and diffusion of green technologies. This is the annual Eco Expo we have been co-organising with the Hong Kong Trade Development Council (HKTDC) in Hong Kong since 2009. Our main objective is to support capturing of business opportunities in the Mainland and International markets.

13. The 2014 Expo was just held in Hong Kong last month. There were more than 300 exhibitors from more than 20 countries/ regions joining the Expo, with 12 countries/provinces/cities setting up their own pavilions to showcase new environmental technologies and practices.

14. To help the promotion and diffusion of green technologies into Mainland China, we have taken the opportunity of the Expo to invite over 30 Mainland delegations with nearly 200 delegates visiting the Expo. The Mainland delegates have also introduced the Mainland China’s latest green policies and business opportunities at the Expo.

15. Fellow colleagues, Government’s investment in environmental infrastructures, promulgation of green policies and legislations, together with the kind of international platform I just mentioned, should help the development and diffusion of green technologies in Hong Kong and its

nearby region. Lastly, I hope all of you enjoy your stay in Hong Kong, and I am happy to take questions at the end of this session. Thank you.