

## LCQ2: Promoting a post-epidemic green recovery of the economy

Following is a question by the Hon Martin Liao and a reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (March 17):

Question:

Since last year, a number of international organisations such as the United Nations, the International Monetary Fund and the World Bank have, one after another and on a number of occasions, called on the governments of various countries to promote a post-epidemic "green recovery" of their economies, and to steer their economic revitalisation measures along the direction of green and low-carbon transformation and sustainable development. China has also called on various countries to seize the historic opportunities presented by the new round of scientific and technological revolution and industrial transformation, and promote a post-epidemic green recovery of the world economy. The Hong Kong SAR Government has also stated that it will support a green recovery of the economy. In this connection, will the Government inform this Council:

(1) of the plans and measures to promote a post-epidemic green recovery of Hong Kong's economy; in respect of each measure, the anticipated manpower and expenditure involved, economic benefits to be generated and implementation timetable, and how the measures will help Hong Kong reach its latest target of achieving carbon neutrality before 2050;

(2) of the plans and measures to support Hong Kong's various sectors in seizing the green economic opportunities in the short, medium and long terms in areas such as green finance, green innovation and technology, as well as green industries; and

(3) whether it has assessed the respective green employment opportunities to be brought by the aforesaid measures for Hong Kong; whether it has set new targets (including those relating to economic benefits and employment opportunities) for the future development of Hong Kong's environmental industry; if so, of the details; if not, the reasons for that?

Reply:

President,

As the pandemic has dealt a blow to our economy, all departments of the Hong Kong SAR Government are committed to boosting the economy and creating job opportunities. In terms of environmental protection, the Environment Bureau has adopted a number of new measures on the promotion of cleaner energy and renewable energy, energy efficiency and green building, green transportation, waste reduction and recycling, green infrastructure, and

green innovative technologies. These measures will not only create green economic and employment opportunities and promote a green recovery, but will also continuously improve the environment and help Hong Kong move towards the goal of achieving carbon neutrality before 2050.

To promote cleaner energy, the two power companies will continue to renew their gas-fired generating units to replace the coal-fired ones and develop an offshore liquefied natural gas terminal. On renewable energy, the government launched the Feed-in Tariff in 2018 and "Solar Harvest" to install solar energy generation systems for schools and welfare organisations. Together with other facilitation measures, more than 180 million kWh of renewable energy can be produced. It is expected that the above-mentioned measures will create more than 5 000 jobs in relevant industries.

The Government also set aside a total of \$3 billion to install small-scale renewable energy systems on government premises. It is expected that about 27 million kWh of electricity will be generated per annum. To help various sectors save energy and reduce carbon emissions, the Government introduced the \$600 million "Green Schools 2.0 – Energy Smart" programme and the \$150 million "Green Welfare NGOs" programme to conduct energy audits and install energy-saving devices for primary and secondary schools and social welfare organisations. It is estimated that the programme will achieve an electricity saving of 45 million kWh per annum. The Government will also construct an additional district cooling system in the Kai Tak Development Area, and new district cooling systems in Tung Chung New Town Extension (East) and Kwu Tung North New Development Area respectively. The three projects with a total construction cost of about \$14 billion can save about 130 million kWh of electricity per annum. The above-mentioned Government allocations and projects can create more than 1 600 job opportunities.

In order to promote green transportation, the Government set aside more than \$10 billion last year to launch a series of measures, including the \$2 billion EV-charging at Home Subsidy Scheme and the \$7.1 billion ex-gratia payment scheme to phase out about 40 000 Euro IV diesel commercial vehicles. These measures can provide more than 700 employment opportunities.

On waste management, more than 700 job opportunities will be created by various measures on waste reduction and recycling, including collection and recycling services for waste paper, food waste and waste plastic, GREEN@COMMUNITY's recycling network including Recycling Stations, Recycling Stores and Recycling Spots, and the reverse vending machine pilot scheme for plastic beverage containers.

The Government will commence a number of green infrastructure projects in the coming three years, including construction and upgrading of sewerage treatment works, improvement and expansion of sewerage systems, rehabilitation of ageing sewers, installation of dry weather flow interceptors and retrofitting of noise barriers or enclosures at suitable existing road sections. The above green infrastructure projects are estimated to involve a total expenditure of about \$14 billion and create about 1 700 employment opportunities.

To capitalise on the enormous green finance opportunities, the Government plans to expand the scale of the Government Green Bond Programme and arrange for the regular issuance of green bonds totalling \$175.5 billion within the next five years, having regard to the market situation. We will also launch the Green and Sustainable Finance Grant Scheme to provide subsidy for eligible entities to cover their expenses on bond issuance and external review services, which will enhance Hong Kong's position as a green finance hub in the region.

In addition, the Government has set up a \$200 million Green Tech Fund to provide better and more focused funding support to research and development projects which can help Hong Kong decarbonise and enhance environmental protection. It will promote the application of innovative technologies and create hundreds of job opportunities.

As a whole, the above-mentioned resources devoted by the Government can create more than 5 000 employment opportunities in the coming few years. The Government's policy on carbon reduction in electricity generation will also drive investment in the private sector, creating another 5 000 employment opportunities. In total, more than 10 000 job opportunities will be created to support a green recovery.

Looking to the medium and long terms, Hong Kong will continue to promote green economic opportunities in various aspects in the course of striving towards carbon neutrality. For examples, the Government announced the "Waste Blueprint for Hong Kong 2035" in February this year, setting out the vision of "Waste Reduction&#x2013;Resources Circulation&#x2013;Zero Landfill", and outlining the strategies, goals and measures to meet the challenges of waste management up to 2035. Besides, we will allocate another \$1 billion to the Recycling Fund to further support the upgrading and transformation of the recycling trade. This will benefit more than 1 000 recycling enterprises, provide thousands of employment opportunities, and help develop a circular economy.

Hong Kong's first Roadmap on the Popularisation of Electric Vehicles to be announced today will set out target and related measures to cease the new registration of fuel-propelled private cars in or before 2035, and provide new development opportunities for electric vehicles and the relevant trades in the medium and long terms. Later this year, we will update "A Clean Air Plan for Hong Kong 2035" to formulate new targets and measures to further improve air quality. We will also update the "Hong Kong's Climate Action Plan" to set out long-term strategies for achieving carbon neutrality. These policy blueprints will establish new targets which are closely related to green finance, green innovative technology and green industry, and will continuously promote the development of green economy in Hong Kong in the medium and long terms and create more green employment opportunities in the future.

Thank you, President.