

Promoting sustainable growth

INTERVIEW WITH THE HON PAUL CHAN MO-PO, MH, JP AND THE HON WONG KAM-SING, JP

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One of the world’s most successful sustainable urban growth stories, Hong Kong’s development over the last four decades has seen it build greenfield site towns in the New Territories and a mass transit railway in the 1970s and 1980s, followed by airport and seaport development in the 1990s, and increased bridge and rail links to the rest of China since reunification with the Mainland. In the process, Hong Kong has grown to be one of the most densely populated areas on the planet.

Density is not necessarily a bad thing: Hong Kong is more efficient than most US or European cities, putting it among the top positions in international city-level sustainability indices.

Nevertheless, high density poses long-term infrastructure and quality of life planning challenges. Hong Kong’s current population of 7.23 million is projected to grow to 8.47 million by 2047, when the One Country, Two Systems policy ends. For Hong Kong to diversify its economy and establish itself as a creative industries and technology hub in the run up to that milestone, it needs to attract young entrepreneurs from both China and the West, and to do that it knows it needs to make the city a still-more attractive place to live, particularly in the face of competition from locations such as Singapore.

Not that demand for business property and accommodation shows any sign of slowing down: Hong Kong remains one of the most popular, and expensive, places on the planet to live and run a business, and prices and rents in Hong Kong continue to reflect soaring demand for space on Hong Kong Island.

One solution lies in land reclamation, a strategy the city has pursued for decades: between 1985 and 2000, it created around 1,000 hectares a year in this way, but over recent years it has been less successful; similarly, land resumption, or forced acquisition, is seen by the government as disruptive and potentially conflictive.

Another solution lies north of Hong Kong Island across the water to Kowloon East, itself reclaimed land, and the location of the former Kai Tak airport, says Paul Chan, Hong Kong’s Development Secretary.

“We aim to transform Kowloon East (comprising the Kai Tak Development area, Kowloon Bay and Kwun Tong Business Areas) into an alternative

central business district (CBD). Kowloon East has the potential to provide an additional commercial/office floor space of about 5 million square metres, eventually expanding the total supply in the area to about 7 million square metres,” says Mr Chan.

To fully develop Kowloon East the government is implementing an ambitious plan to improve transport infrastructure, says Mr Chan, adding: “In tandem with these, and in pursuance of making Hong Kong more livable in, we are taking measures to reduce traffic and increase pedestrian areas. We advocate a sustainability concept on ‘walkability’ in Kowloon East to cater for its transformation into an attractive CBD.”

A long-standing complaint among Hongkongers is the city’s poor air quality. Its proximity to the manufacturing centres of the Pearl River Delta causes around half of Hong Kong’s air pollution, but the remainder is generated locally. One of the primary causes of this has been a lack of infrastructure planning, resulting in poor airflow through ‘building canyons’ created by high-rise building blocks developed to satisfy housing and other demands, but which trap air pollution. An architect with more than 25 years’ experience in green building design, Hong Kong’s Environment Secretary Wong Kam-sing says that recent measures require air-ventilation studies or permeable design for new buildings. The developers of buildings in the city, which consume about 90 per cent of Hong Kong’s power, have also been offered incentives to construct energy-efficient buildings or reduce power use in existing structures, says Mr Wong, adding that Hong Kong is also promoting the application of renewable energy sources such as rooftop solar systems.

A further major contributor to poor air quality comes from shipping emissions at the port, one of the busiest in the world, attracting around 450,000 vessels a year. The government’s Fair Winds voluntary business initiative encourages ocean carriers to switch to lower-sulphur fuels while at the port, and has evolved into a public-private partnership, with the government lowering port fees for participating companies.

Then there is the question of Hong Kong’s mounting waste disposal problem. Environment Secretary Wong recently warned that the city is on the verge of a waste disposal crisis.

In 2012, Hong Kong’s recycling rate for municipal

solid waste was 39 per cent and the city recycled about 84 per cent of all waste when construction waste was also taken into account. By way of comparison, Singapore recycled over 60 per cent of all waste in 2012.

Hong Kong's high-density population and lack of space mean that there is little scope to extend landfill capacity indiscriminately. Its three landfill sites are expected to be completely full by 2019.

Mr Wong admits the government has been slow to respond to its mounting rubbish problem for the past few decades: "Hong Kong has fallen behind because we have only taken some of the steps needed. We need to urgently fill in the gaps. Hong Kong is now taking coordinated and simultaneous action on waste prevention, reuse, recycling and recovery, along with treatment and landfilling of rubbish as part of a whole resources management chain, working with communities and districts, collaborating with business stakeholders, and encouraging NGOs to develop projects to make the transition," he adds. Since he took office in July 2012, Hong Kong has launched several long-term plans with specific, measurable, goals.

The government aims to reduce the current municipal solid waste disposal rate by 40 per cent on a per capita basis by 2022, when 55 per cent of rubbish will be recycled: 22 per cent will go to landfill, and 23 per cent will be incinerated. "Hong Kong has a comparatively large waste load compared to neighbouring cities at a similar level of development: at 1.36 kg, its per capita daily domestic waste generation rates are almost double those of Tokyo," says Mr Wong.

Cheap energy has fuelled Hong Kong's growth for decades, but much of it comes from nearby polluting coal-fired plants on the Mainland. Wong Kam-sing admits that Hong Kong has historically lacked the political will and public commitment to embrace energy efficiency. But in the run-up to the closure of ageing coal-fired generators, Hongkongers are being asked to choose between importing 50 per cent of their electricity from the Mainland or using costlier natural gas. Mr Wong explains that the "grid purchase" option will involve 30 per cent of the SAR's electricity being sourced from southern China, along with 20 per cent currently provided by the Daya Bay nuclear plant. Local power generated by natural gas will provide 40 per cent, with the remaining 10 per cent coming from coal and renewable energy. The second option would see natural gas increase from 22 per cent to 60 per cent, in addition to the 20 per cent from nuclear energy, with the remaining 20 per cent met by coal and renewable energy. But cleaning up Hong Kong's energy production will likely see a

significant price increase, warns Mr Wong.

Water presents another significant sustainability challenge: around 80 per cent of Hong Kong's water comes from the Dong River, an eastern tributary of the Pearl River: Upstream water quality is degraded due to open garbage disposal and untreated wastewater from the Mainland. But as Development Secretary Chan points out, Dong water first goes through a biological nitrification process in Shenzhen, and is then sent to a pump station. Once it enters Hong Kong, it then passes through 6 water treatment plants where it is filtered and purified. "As a result, the quality of HK water meets EU drinking water standards," says Mr Chan.

The government has also launched reclaimed water pilot schemes at sewage treatment works to use reclaimed water for non-potable purposes (such as flushing lavatories). "Using reclaimed water will reduce the consumption of drinking water, as well as lowering water pollution levels in rivers and the sea, making for a cleaner ecosystem and aiding sustainable development in the years to come," says Mr Wong, adding that the government funds the capital cost of all sewage treatment facilities in full, whereas part of the cost of sewage collection, treatment and disposal is shared within the community in accordance with the polluter-pays principle.

Paul Chan emphasises that addressing Hong Kong's challenges and ensuring sustainable growth will require continued engagement between the government and private sector, as well as civil society, which has traditionally demanded lengthy consultation processes.

"Hong Kong is a free city and its people pride themselves on the freedom to express their views, so it is inevitable that we have different views over planning and development, and at times these differences become contentious. What the government has to do, and society has to see, is that we need to rise above the individual or sectoral interests of different groups of stakeholders, and do what is in the best overall interests of Hong Kong. Finding solutions amid competing demands needs balance, and balance means compromise," says Mr Chan.

Over the last few years, an increasing number of the right pieces seem to be in place for making Hong Kong a sustainability success story: an engaged and educated population, financial success, population density to create economies of scale, and access to advanced and efficient technologies.

Talking to Hong Kong's government officials, its business community and other stakeholders, it's clear that there is the will to embrace solutions to help further unlock its potential and put the city squarely on the path to sustainable growth. **E**

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