

**WWF's Recommendations for the 2019-2020 Budget –
Transform Hong Kong into Asia's Most Sustainable City**





SUMMARY

1. Land supply: cease studies on using country parks for housing purposes and support a Conservation Trust

Country parks are a precious public asset and should continue to be fully protected. We therefore urge the government to cease further studies on country parks for land supply. Rather, the government should invest in enhancing the values of our country parks for the benefit of wildlife as well as local and overseas eco visits. An independent statutory Conservation Trust is also needed to safeguard and finance the long-term holistic biodiversity management of ecologically important sites.

2. Land supply: prioritize brownfields and devise fair and open compensation mechanisms

“Brownfields first” meets public expectations. We recommend the government to speed up the resumption of brownfield sites and develop a fair compensation mechanism to enable timely release of land for housing development.

3. Land supply: initiate marine spatial planning and only propose reclamation as last resort

Marine spatial planning is crucial in striking a balance between growing human usage and conservation of marine resources, which should be financed and initiated by the government immediately. This should be done before any reclamation decision is made to avoid irreversible impact on ecologically sensitive marine areas.

4. Safeguard marine ecosystems: expand marine protected areas to 30% of waters in Hong Kong and tackle marine litter

The current coverage of designated or planned marine protected areas (MPA) at 5% of Hong Kong waters is grossly inadequate to compensate decades of intense coastal development. Public funds should be granted now in conducting feasibility studies for the establishment of MPAs to conserve at least 30% of Hong Kong waters by 2030 with 10% by 2020 as interim target, along with funds to support co-management and compensation if deemed required. Additional funding to tackle marine litter at source is also needed to protect the health of our marine ecosystems.

5. Step up enforcement by treating wildlife crime as a serious crime

Hong Kong is a major transit hub for illegal wildlife trade as well as one of the world's largest ivory retail markets. Apart from increasing investigative power by including wildlife crime offences under Schedule 1 of the Organized and Serious Crimes Ordinance (OSCO), dedicated resources are required to enable intelligence exchange on transnational criminal syndicates. Sufficient funding is



also needed to strengthen forensics evidence gathering capabilities to support a higher rate of prosecution.

6. Attain 10% renewable energy target by 2030 and buildings energy efficiency through government financial commitments and green financing

An aggressive renewable energy (RE) target of 10% by 2030 and long-term building energy efficiency improvements are needed if Hong Kong is to meet its commitments on climate change. The government should release and support RE installations at public open spaces. Budget measures to attract large scale local RE installations, different sources of RE via recycling and building energy enhancement projects via green bond and green finance are also needed.



WWF Hong Kong recommends the following budget measures for consideration and adoption by Finance Secretary, Mr. Paul Chan in the 2019-2020 Budget, to help transform Hong Kong into Asia's most sustainable city:

1. Land supply: cease studies on using country parks for housing purposes and support a Conservation Trust

In WWF's 2018-2019 Policy Address recommendations (Appendix 1) and submission to Task Force on Land Supply Public Engagement Exercise (Appendix 2), we reiterated our strong opposition on any development within country parks. Being a precious public asset, our country parks have non-replaceable ecological and social functions to local and overseas visitors. Country parks should continue to be fully protected to both preserve and manage their values and accessibility.

Compared to other land supply options, the adverse impact to the functions and values of country parks, public opposition and the constraints associated with developing country parks vastly outweigh any contribution to land supply that the use of country parks might make. We urge the government to cease further studies to investigate country parks for land supply. Rather, the government should invest in studies aiming to enhance the values of our country parks for the benefit of wildlife as well as local and overseas eco visits.

With development proposals in areas such as Inner Deep Bay wetlands, the conflict between conservation needs and property rights of landowners is intensifying; yet existing conservation mechanisms are inadequate to resolve this. WWF strongly advocates a Conservation Trust (independent statutory trust similar to the National Trust in UK) to safeguard and finance the long-term holistic biodiversity management of ecologically important sites.

2. Land supply: prioritize brownfields and devise fair and open compensation mechanisms

Developing brownfield sites to meet the shortfall of land supply is in line with public expectations and was reflected in the "Report of the Task Force on Land Supply" published in December 2018. With more than 1,000 hectares of brownfield sites available, and especially those situated in large clusters and/or supported by infrastructures, a "brownfields first" policy should be adopted by the government – this would be welcomed by and supported by the public.

In enabling timely release of land for housing development, we recommend the government to speed up the resumption of brownfield sites and develop a fair compensation mechanism for planned development projects.



3. Land supply: initiate marine spatial planning and only propose reclamation as last resort

Mega-scale reclamations proposed in East Lantau waters and near-shore reclamations, such as Lung Kwu Tan, will result in irreversible damage to marine ecology and fishery resources, affecting the ecosystem services provided to the society and livelihood of fishermen. Reclamation should be regarded as the last resort for providing land reserves.

Hong Kong lacks holistic planning of our marine resources and an objective mechanism supported by sufficient database to balance growing human usage and the sustainable future of marine resources. We urge the government to finance and initiate a coastal and marine spatial planning exercise immediately, in order to fully understand the baseline of marine resources in Hong Kong, and then identify and manage current and future sea use in a way that best meets the priorities and goals among various stakeholders. This should be done before any reclamation decision is made to avoid irreversible impact on ecologically sensitive marine areas.

4. Safeguard marine ecosystem: expand marine protected areas to 30% of waters in Hong Kong and tackle marine litter

Currently only 5% of Hong Kong waters are designated or planned as marine protected areas (MPA) by 2023, which is grossly inadequate to conserve the precious marine resources of Hong Kong, especially after decades of intense coastal development.

To make our valuable marine habitat and species more resilient to human disturbance and climate change, we urge the government to immediately start protecting the seven areas of conservation priority identified by scientists and WWF, namely West Lantau, South Lamma, Shui Hau, Sharp Island and Shelter Island in Port Shelter, Ninepin Group, Tolo Channel and Harbour and Pak Nai, with vision to protect and conserve at least 30% of waters in Hong Kong effectively by 2030, with interim target of 10% by 2020.

Public funds should be granted now in conducting feasibility studies for the establishment of MPAs, focusing on the seven conservation priority sites as identified. Specific conservation measures in regard to their threats and ecological characteristics must be included and in effect as soon as possible, along with associated co-management of specific MPAs and compensation if deemed required.

The health of our marine ecosystems has been impacted by marine litter problem over the years. We therefore ask the government to allocate more funding on investigating and implementing innovative measures to stop litter entering our seas.



5. Step up enforcement by treating wildlife crime as a serious crime

Hong Kong is a major transit hub for illegal wildlife trade as well as one of the world's largest ivory retail markets. The city also accounts for around 40% of global shark fin trade, with 22 seizures between 2013 and 2017 recorded without prosecution.

WWF puts strong emphasis on combating wildlife crime and believes the government has an obligation to stop transnational criminal enterprises from using Hong Kong as a popular route for wildlife smuggling. In addition to enhancing investigative powers by including wildlife crime offences under Schedule 1 of the Organized and Serious Crimes Ordinance (OSCO), an appropriate amount resources should be allocated to enable better intelligence, exchange. Most importantly, the government should allocate sufficient funding for evidence gathering in supporting a higher rate of prosecution.

To enable better intelligence exchange, suitable resources allocations should be given to the Hong Kong Police Force in developing criminal intelligence on wildlife transnational crime syndicates with source countries. A joint task force led by Security Bureau should be established, comprising law enforcement agencies and AFCD to track and disseminate relevant national regulations and information, as well as intelligence analysis and action tasking on illegally sourced, exported or re-exported products such as shark fins.

To boost the prosecutorial powers of the enforcement agencies, considerable funding should be dedicated to strengthen forensics evidence gathering capabilities, which should include both genetic testing and radiocarbon dating facilities and expertise for locally seized wildlife products. Such evidence is crucial for efficient identification of CITES-listed animal and plants under Appendices 1 and 2, as well as determining the age for ivory.

6. Attain 10% renewable energy target for 2030 and buildings energy efficiency through government financial commitments and green financing

We learned from last's year budget that \$100 billion was proposed to be allocated to promote the installation of renewable energy facilities in government buildings, venues and community facilities as well as tax concessions for capital expenditure incurred by enterprises to pursue building energy efficiency and renewable energy installations. While we are pleased to see these measures, we look forward to the progress and achievements from these measures to be reported by Environment Bureau.



Nevertheless, a more aggressive renewable energy (RE) target of 10% by 2030 and long-term building energy efficiency improvements are needed if Hong Kong is to meet its obligations under the Paris Climate Agreement.

In supporting large scale RE development locally, the government should release large public open space for companies to install and operate solar farms. To encourage community support and commitment towards long-term decarbonisation, funding support should be given to RE installations at facilities run by NGOs, social business incorporated by local residents at smaller public open space. To enhance the sources of RE, investment in recycling is recommended such as waste to energy infrastructure.

The current green bond and green finance budget measures are not adequately focused in achieving the climate change targets set out by the government. We recommend the government commits as a partial and full credit guarantee (through green financing or green bond) for local projects such as large scale RE installations and building energy efficiency enhancement projects for single buildings. Our in-house experts would be glad in contributing to the relevant governance structure with support of our international network.

Further, to better align its incentives and policy in promoting green buildings, we recommend the government to link gross floor area (GFA) concession with BEAM Plus rating attainment; with 2% for bronze, 6% for silver, 8% for gold and 10% for platinum.

Encl.

- Appendix 1 WWF's 2018-2019 Policy Address recommendations
- Appendix 2 WWF's submission to Task Force on Land Supply Public Engagement Exercise