

Sustainable Development in Hong Kong

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I have been asked to address the topic of “Sustainable Development in Hong Kong.”

This week, as trade ministers from 148 economies meet in Hong Kong, is a good time to take stock of what sustainable development means for this city. I am very pleased and impressed that the Canadian Chamber of Commerce sees a link between sustainable development and setting the rules for global free trade and investment. It is this kind of strategic thinking that has made the Canadian Chamber a positive force in the Hong Kong community over the years, especially on environmental issues.

Sustainable development goes beyond the mandate of the World Trade Organization, which is for trade and investment liberalization. Yet the people who are marching in the streets this week are telling us in a very graphic way that the WTO needs to be mindful of these issues, and that it must do more to meet the needs of civil society and the environment.

The problems faced by the WTO also remind us of the challenges we face as we try to put Hong Kong, or any city or nation, on the path of sustainable development.

In Hong Kong, we have a direct parallel to this debate in the relationship between Hong Kong and its urban hinterland in the Pearl River Delta. We share many common problems but have too few mechanisms to solve them, ranging from infrastructure to air and water quality to labor and demographic issues. Like the WTO, we must balance the interests of a relatively wealthy economy against the needs of a developing hinterland. Hong Kong's affluent society values quality of life. Our quality of life is affected by air pollution, much of which is generated by Hong Kong-owned and operated factories based in Guangdong. These factories supply much of our wealth and much of Guangdong's growth. To what extent do we ask these factories to slow down in order to improve our air and bring back our blue skies? These are not easy issues to resolve.

Every city is different. One can even say that no single sustainable development model fits all. Making our cities sustainable is an almost infinite challenge. In Hong Kong, sometimes I think we have many more problems than solutions. But that is true of every other city that has learned to look at its future as an exercise in sustainability.

What I would like to do today is :

- To take a look at how we have applied this philosophy in Hong Kong
- To share a few thoughts on the next steps for sustainable development in Hong Kong and the region

Just in the last week in Hong Kong, Sarah Liao, our secretary for Environment, Transport and Public Works, tabled a 10-year policy for the management of municipal solid waste. This is one part of an umbrella ordinance that will include mandatory producer responsibility schemes and waste charges for households. It addresses an urgent problem, because our municipal landfill sites will reach capacity in the next six years. The policy seems like a simple, necessary and elegant solution to Hong Kong's waste problem.

Yet anyone familiar with the history of Hong Kong's waste management program will know that the Government has been struggling with this issue for years. Landfill charges for construction and demolition waste faced a huge outcry when they were first introduced in 1995. Dump-truck drivers, who were afraid that they would have to pick up the fees, blockaded landfill sites for two days. It was nine years before the Legislative Council, or Legco, passed laws imposing landfill charges for construction, in July 2004.

The Government's new proposals on recycling and producer responsibility are far more extensive than the fees for construction and demolition waste. Political theory tells us that we could expect to see opposition from every quarter. We hope this will not happen. Even if the issues are similar, the Government this time has adopted a new strategy that may change the political dynamics.

In 1995, the Government simply tabled its proposals to Legco. This time around, in 2005, well before the recycling plan was formally submitted to Legco, the Council for Sustainable Development worked together with business and civil society to see what the community was ready to do about the waste problem. The Environment Protection Department played an important role in this process, serving as a participant in debates within expert groups and the larger community.

We found that the community was ready to accept change. To go into some of the specifics, the community was ready to accept an increase in the recovery rate of municipal solid waste from 34 percent, the figure for 2002, to 50 percent by 2014. It was ready to reduce the total municipal solid waste disposed of in landfills to less than 25 percent by 2014, from 53 percent in 2003. And the community was ready to accept a reduction of one percent annually in the amount of waste it produces, through the year 2014.

The Government has adopted each of these targets in its new recycling plan. We hope that this effort to include the community in the planning process will make it easier for Legco to pass the bills into law, because Legco can see that the targets and principles have broad public support, even if the legislators should wish to make changes. This is one example of how the principles of sustainable development could help to make Hong Kong easier to manage, and a better place to live in, as a result of people working together to come up with solutions to a fundamental problem of urban life, waste management.

In many ways, Hong Kong has one of the most extensive programs on sustainable development of any major world city. Since the policy address of 1999, sustainable development has been an official policy of the Government. Every Government department runs new programs through a sophisticated computer analysis of its sustainability. The Government's Sustainable Development Unit maintains a network of relationships with

international organizations starting with the United Nations, as well as supporting the work of the Council and its subcommittees on strategy and education.

Hong Kong's Sustainable Development Council, which has now been in existence for two and a half years, produced its first set of recommendations to the Government in February. These were based on a bottom-up, participatory review of three major sets of issues facing the city – waste management, renewable energy, and urban living space.

We involved leaders of the community from all sectors in each stage of this process. Donald Tsang, currently our chief executive, was chairman of the Council when he was chief secretary, and steered the Council through its first two years. The fact that its recommendations are now becoming Government policy reflects his leadership and commitment.

So, you will ask, why don't we have clear blue skies and a vibrant waterfront like Sydney or Toronto? Why can't the Council for Sustainable Development do something about air pollution and why can't it do something about Victoria Harbor?

Although as vice-chairman of the Council, I can and should emphasize the positive results, the fact is that much remains to be done. Sustainable development remains an ideal, often an elusive ideal. Each city, each country, each community faces a different set of problems when it adopts the principles of sustainable development.

In its first stage, in Hong Kong we focused on participatory aspects of sustainable development. Hong Kong's vision statement for sustainable development emphasizes social participation.¹ The vision statement is a manifesto that we need to balance the goals of economic growth, social equity and a healthy environment, and that the community needs to be engaged in this process. To my knowledge, Hong Kong has done more to realize the participatory aspect of sustainable development than any other city or community around the world.

We are ready, however, to take the Council to a new level. In the next phase, we will be adopting a structure to express our values on issues of current interest. We will take an independent position when questions are raised about the sustainability of certain practices.

We will be asking whether our current population policy is sustainable, given the slowdown in population growth, our aging society, and growing integration with the mainland. In addition, the issue of air pollution is high on our radar screen. We are considering forming a study group to review all the work that has been done so far inside and outside the Government, and to develop a list of recommendations that will draw upon the resources of business and civil society as well as Government.

Now, for the remaining few minutes, I would like to share with you a few thoughts on the future of sustainable development in Hong Kong.

The real question for Hong Kong now is how to look beyond our immediate problems to anticipate the problems of the future. We must somehow develop the ability to view the

present as though we were looking at the past, and could see the strains in the system that would eventually lead to worse problems.

If we were to take this perspective, very likely the most significant patterns would be to ignore the boundaries between Hong Kong and the mainland. We would see resource issues that affected Hong Kong and the Pearl River Delta equally, particularly those of air and water quality and infrastructure.

Both air and water disregard political boundaries. Over the last 25 years, Hong Kong-owned factories have been a major factor in the deteriorating air quality of the Pearl River Delta, which, when the wind blows from the north, is just as serious a problem as if we generated the pollution within the territorial confines of Hong Kong.

The same is true with water quality. We could continue to try to insulate the water we take from Guangdong by building longer and longer pipelines upstream to the source. But we will still be affected by poor water quality downstream, through the food we eat, much of which is imported from across the border.

We might also look back and wonder why we did not do more to ensure that infrastructure on both side of the boundaries – roads, highways, bridges, power lines and pipelines – were organized along a rational model to minimize the impacts to health and quality of life.

Getting people to agree on the problem, let alone the solution, is often half the battle. Hardest of all is the ability to look beyond current agendas to the issues that will shape the future. For this task, we need many minds. The principles behind sustainable development provide at least one way to bring those minds together.

Thank you.

¹ Hong Kong's vision statement for sustainable development 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" (June 2003).