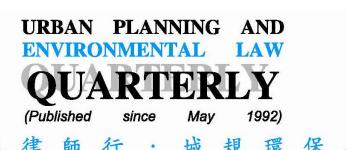


FRED KAN & CO.

Solicitors & Notaries



Hong Kong's record in protecting the environment is mediocre at best; but it is especially poor in respect of our marine environment. In this edition we revisit the abysmal lack of action by the government to establish a meaningful, robust network of marine protected areas.

The Editors

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LACK OF PROTECTION IS DESTROYING HONG KONG'S MARINE ENVIRONMENT

Marine protected areas

Marine protected areas (MPAs) are a vital tool in the world-wide effort to halt the alarming degradation of marine ecosystems. The main causes of the extensive damage to the marine environment which has occurred during the last 4 decades, particularly, are:

- overall rapid increase in human population
- dramatic increase in coastal urbanisation and development
- over-fishing and general over-exploitation of marine resources
- harmful fishing practices, such as trawling and other indiscriminate practices by deepsea fishers
- in coral reef regions, the use of explosives and poisons (e.g. cyanide) to harvest once rich coral fisheries
- sedimentation and pollution from land-based human activities; e.g. intensive, chemical-reliant agriculture
- deliberate or negligent dumping of waste; e.g. plastic waste
- infrastructure development
- resource extraction; e.g. oil and sea-bed minerals
- increased shipping traffic and associated ship-related pollution.

Marine ecosystems are by far the least known of our ecosystems, especially in developing countries. Of course, Hong Kong is not a developing country; we have the financial and technical means to fully research and implement measures for adequate protection of our own marine environment. So it is scarcely credible that to date the government has refrained from implementing meaningful measures to conserve and protect Hong Kong's marine ecosystems.

As has been widely demonstrated in other countries, a key measure for effective marine environmental protection is the creation and robust monitoring of MPAs. A MPA is "any area historical and cultural features, which has been reserved by legislation to protect part or all of inter-tidal or sub-tidal terrain, together with its overlying waters and associated flora, fauna, the enclosed environment" (IUCN 1988).

A MPA is only as effective as: (i) the extent to which it limits human activities; and (ii) the degree to which the restrictions are policed and enforced. There are numerous examples of MPAs throughout the world which represent no more than official tokenism in the name of environmental protection, simply because the restrictions are watered-down to become meaningless, and/or responsible agencies do not enforce the regulations governing the MPA. Regrettably, Hong Kong's few MPAs largely fall within these categories.

Hong Kong's MPAs

Hong Kong has a land area of 1092km² and territorial sea area of 1650 km². Approximately 75% of the land is non-urban, countryside; and nearly 40% is designated country parks, which essentially, but not completely, prevents development or exploitation within those areas.

Twenty-four country parks have been created since 1978; they cover a total of 440 km². Their stated purpose is: nature conservation, countryside recreation and outdoor education.

Additionally, Hong Kong has 11 designated "special areas" which occupy a total of 846 ha within country parks and are dedicated to nature conservation.

In stark contrast, our marine environment is far less protected. Hong Kong's MPAs comprise 6 marine parks and 1 marine reserve, totaling a 4050ha. Thus, only approximately 34 km² of our 1650 km² marine area is a declared MPA.

The marine parks and reserve have been gradually established since 1996 under the Marine Parks Ordinance (Cap.476). They are:

Marine Parks	Hectares
Hoi Ha Wan	260
Yau Chan Tong	680
Sha Chau & Lung Kwu Chau	1200
Tung Ping Chau	270
The Brothers	970
Southwest Lantau Marine Reserve	650
Cape D' Aquilar	20

The most recently established marine park is Southwest Lantau MP, which was designated in April 2020 with the main objective of affording some protection to our dwindling Chinese White Dolphin population.

Marine Parks Ordinance (Cap 476) (MPO)

Under S.3(1) of the MPO, control and management of MPs and MRs are vested in the Country and Marine Parks Authority. The Director of the Department of Agriculture, Fisheries and Conservation is the "Authority" who has, in effect, virtual control of all matters to do with MPs and MRs: S.3(2).

The creation of a MP or MR is, however, initiated by the Chief Executive, who may direct the Authority to prepare a draft map of the proposed area: S.7(1). The map is then gazetted: S.8. and members of the pubic have 60 days to object to any aspect of the proposed MP: S.12. The Board hears and determines objections: S.5(a); otherwise it is merely a consultative body to advise the Authority: S.5(a).

Authority's wide powers

The Chief Executive may give direction to the Authority as to the exercise of his powers under the MPO: S.6.

Otherwise, the Authority has unfettered discretion to take any measures he sees fit in respect of MPs and MRs for the purposes of achieving the goals set out in S.4, which include:

- facilitating recreational activities
- providing opportunities for educational and scientific studies
- managing use of resources to meet the needs and aspirations of present and future generations of mankind.

This last objective may appear to require measures genuinely aimed at conserving the marine environment of MPs and MRs. However, it's anthropocentric foundation – typical of environmental legislation of the last century – renders it more a tool for facilitating exploitation, rather than protection, of the subject ecology and environment. And, as we shall see, such is the sad case in the short life of our MPs and MR. It is perhaps to be expected, when the Director of Fisheries and Agriculture doubles up as also the guardian of the environment.

Regulated activities

The Marine Parks and Marine Reserves Regulations (Cap 476 A) regulate or ban certain activities within MPs and MRs:

- a total ban on all fishing, hunting or the removal of any plant: S.3(1), except: the Authority may (and does) issue a permit under S.17(3) for fishing: S.3(1A)
- nests may not be removed or disturbed: S.3(2)
- a ban on water skiing: S.5(1)
- swimming, diving and boating are forbidden: S.6
- fish culture may not be established: S.7

Have the MPs/MR helped our marine environment?

Sadly, but not surprisingly, experts in marine ecology generally concur that the MPs and MR have done little to improve Hong Kong's marine environment. It should be noted that Hong Kong's marine territory is home to an impressive range of approximately 6000 marine species and corals – more than many other countries. But the political will to stand up to the powerful fishing lobby, and other exploiters, and to create and enforce meaningful protections is lacking. Thus, while swimming is banned in MPs, the AFCD's own website extols MPs attractions for divers, for example.

A serious, meaningful MPA would prohibit any human activity, or at least, exploitive activity; but a mere 0.019% of Hong Kong's seas is a notake zone.

Problems and prospects for our marine environment

The government hopes to designate 5% of our seas as MPAs by 2023. The WWF considers this "grossly inadequate to conserve marine resources".

Apart from the fact our MPAs are way too small, there are serious and, indeed, blindingly obvious problems with the way they are administered. The following are examples (this is <u>not</u> an exhaustive list).

- continued pressure from fishing by local villagers and commercial fishers.
- consequently, fish stocks within MPs/MR are not recovering.
- damaging fishing methods are still allowed, such as the use of non-targeted techniques: e.g. filament nets.
- no transparent health checks on MPAs.
- no proactive science based MPA selection process
- no clear target or date for future MPs/MRs.

A glimmer of hope is afforded by the government's ban on *commercial* fishing in 4 MPS from April 2020, but it is not much more than a faint glimmer. And it is astounding that the government would allow *any* commercial fishing in a MPA in the first place.

Conclusion

As the government and AFCD continue to move at their usual glacial conservation pace, the prospects for the health of our marine environment are no brighter than they were 25 years ago, regrettably.

TOWN PLANNING

Green, caring city fostered

On 23 February 2022, the Financial Secretary Paul Chan made a 2022-23 budget speech.

Among various topics, he mentioned the government has devised strategies to build a green city and a caring society with quality life.

Approximately 40 additional projects covering net-zero electricity generation, energy saving and green buildings, green transport and waste reduction can be subsidised, which will in turn support innovation and create job opportunities for the innovation and technology industry.

Given the overwhelming response of the EV-charging at Home Subsidy Scheme, Mr. Chan said the government will extend the scheme to the 2027-28 financial year by allocating an additional sum of \$1.5 billion. The scheme will support the installation of EV charging-enabling infrastructure for about 140,000 parking spaces in some 700 existing private residential buildings, accounting for about half of the eligible parking spaces in Hong Kong.

In addition, the government is preparing to gradually convert a number of existing petrol or liquefied petroleum gas filling stations into quick charging stations in order to support the provision of charging services for more types of vehicles. It will also explore the feasibility of developing some larger filling station sites under the "single site, multiple use" model.

To enhance coastal areas' capability of responding to climate change, the government plans to earmark funding in the next five years to take forward improvement projects and management measures for 26 low-lying or windy residential areas that are prone to high risks. For the 2022-23 financial year, it will seek a funding approval of about \$8.4 billion for carrying out drainage improvement works in various districts to enhance flood control capability. Strategic studies on coastal management will also begin, with a view to providing guidelines on planning and land use as well as formulating long-term strategies and preventive measures.

The Hoi Sham Park Extension

The government will continue to adopt an incremental approach in executing its plan to open the Hoi Sham Park Extension in Kowloon City and the first section of the promenade under private development in the Kai Tak Former runway area. This will extend the Victoria Harbour promenade to a total length of 26km.

Development of sports and cultural facilities

While the Kai Tak Sports project is scheduled for completion by the end of next year, the Government is actively implementing the \$20 billion Five-year Plan for Sports & Recreational Facilities. At the same time, the construction and upgrading of community sports and recreational facilities. Also, the five-year plan to transform the public play spaces managed by the Leisure & Cultural Services Department are underway.

[The Government of the Hong Kong Special Administrative Region Press Releases, 23/02/2022]

\$100 billion for Northern Metropolis

The government has proposed to set aside \$100 billion from the cumulative return of the Future Fund for the implementation of infrastructure works relating to land, housing and transportation within the Northern Metropolis.

On 23 February 2022, the Financial Secretary Paul Chan presented the 2022-23 Budget at the Legislative Council. He said both the Northern Metropolis Development Strategy and Lantau Tomorrow plan are important initiatives for increasing land supply, through which housing supply can be substantially increased.

The Northern Metropolis will provide land for innovation and technology development in Hong Kong.

Regarding development areas such as San Tin Technopole, Lo Wu, Lau Fau Shan etc., the Government aims to come up with development plans for the four land formation projects within two to three years, stepping up the implementation of the new development areas projects to ensure timely completion of the housing projects.

As for Lantau Tomorrow, studies related to artificial islands in the Central Waters began last June and preliminary proposals are expected to be put forward in the fourth quarter of this year.

The government is considering streamlining the procedure, to start the first phase of reclamation before the original date of 2027 with the first batch of population intake before 2034.

[The Government of the Hong Kong Special Administrative Region Press Releases, 23/02/2022]

LEGISLATION DIGEST

New energy standards to take effect

The Electrical & Mechanical Services Department announced that new energy efficiency grading standards for single--package room air-conditioners, dehumidifiers and compact fluorescent lamps will be fully implemented on 31 December 2021.

The new standards under the *Mandatory Energy Efficiency Labelling Scheme* aim to encourage suppliers to introduce more energy-efficient models and help consumers select such products. Now, single package type room air-conditioners, dehumidifiers and compact fluorescent lamps must bear energy labels in compliance with the new energy efficiency grading standards before they are supplied to the local market. The prefix U2 will be added to the reference number on the new energy label.

Implementation of the new energy efficiency grading standards is expected to bring an energy saving of about 300 million kilowatt hours per year, which is equivalent to an annual reduction of carbon emissions of approximately 210,000 tonnes.

The *Code of Practice on Energy Labelling of Products* was revised last year with the energy efficiency grading standards for these three products raised by 35%. A grace period of one year will end on 30 December 2022.

[News.gov.hk, 29/12/2021]

Traffic law clarified

The Agriculture, Fisheries & Conservation Department said the kinds of animals covered by the *Road Traffic (Amendment) Ordinance 2021* include cats and dogs, whether strays or owned.

The department explained that the ordinance was amended (7/11/21) to include cats and dogs in the definition of "animal", which also specifies: horse, cattle, ass, mule, sheep, pig and goat. The department explained that the amendment does not cover only owned cats and dogs as reported in some media reports.

The ordinance provides that the driver of a vehicle must stop if an accident involving that vehicle occurs whereby damage is caused to animals not in the vehicle. Drivers must also provide their particulars, including name and address, to police officers or any person having reasonable grounds for requiring the information. Otherwise, the driver must report the accident to police as soon as possible or no later than 24 hours after the accident.

[Press Release, The Government of the Hong Kong Special Administrative Region, 12/03/2022]

WEST KOWLOON CULTURAL DISTRICT

The 104th Board meeting of the West Kowloon Cultural District Authority

The Board of the West Kowloon Cultural District Authority (the "Authority") held its 104th board meeting on 18 February 2022. Betty Fung, Chief Executive Officer of the Authority, reported on the latest progress in various areas of the West Kowloon Cultural District (the "District") in the meeting.

Since the official opening of the M+ Museum ("the M+") on 12 November 2021, it has attracted around 383,000 visitors as of 4 January 2022. However, due to the severe outbreak of Covid-19 in Hong Kong, the M+ closed from 5 January 2022 to 23 February in compliance with the Hong Kong government's social distancing measures. During this close-down period, the Museum organised several virtual programmes, such as #MplusFromHome, so people could take part in online visual events.

Apart from the M+, Betty Wong also announced that construction of the Hong Kong Palace Museum has been completed. Considering the current pandemic situation, the Palace Museum adopted anti-pandemic contingency measures so as to ensure that 900 pieces of valuable artefacts from China can be received in mid-May. The Palace Museum will be opened to the public in July. Apart from this, the Palace Museum also launched a Volunteer Programme last December, which attracted over 2,100 applications. Selection of volunteers will commence soon and training will be provided for the volunteers before the opening of the Palace Museum in July 2022.

Construction of the L1 Contract for the Lyric Theatre Complex-- including public infrastructure works at Austin Road West and the building of ventilation structures --will be completed in the first quarter of 2022.

Since social distancing measures remain in force, the Authority has launched several online programmes. For instance, there is an online version of West Kowloon Tea House Student Matinees at the Xiqu Centre. People can access Cantonese opera performances without leaving their homes. Also, there is a 30-minute visual tour of the Xiqu Centre. Visitors can enjoy Cantonese operatic singing and music ensemble performances during the tour. The tour also includes audio description, sign language, theatrical interpretation and accessible subtitles.

[West Kowloon Cultural District Authority, 18/02/2022]

HONG KONG BRIEFING

Waste-to-energy plants will not solve Hong Kong's landfill problem

The Environment Bureau recently announced plans to develop waste-to-energy facilities by 2035 to reduce our reliance on landfills for disposing of municipal solid waste.

Nowadays, existing hard waste recycling centres can dispose 60 tonnes of hard waste per day. However, Hong Kong generated 222 tonnes of hard waste per day in 2020. Over 160 tonnes of hard waste end up in landfills. Hong Kong's fast food waste recycling plant can dispose over 100 tonnes of food waste per day, yet our landfills still receive more than 3,000 tonnes of food waste per day. Establishing waste-to-energy facilities obviously cannot alone solve the waste -to- landfill problem in Hong Kong.

Nevertheless, there are several sustainable approaches that the Bureau could adopt to address the issue instead of developing more and more waste-to-energy plants. For instance, the Bureau should put more effort into recycling and public education regarding recycling. The Bureau should educate the public about the urgency of our landfill problems and the importance of recycling. Apart from the Bureau, supermarkets can also play a key role in reducing packaging waste, such as plastic and plastic-laminated paper, by introducing packaging- free shopping. Restaurants can also play their part in providing reusable dining- ware for customers buying takeaway and offer a choice of smaller portions for them to reduce avoidable food waste. The landfill problem in Hong Kong can only be solved by getting all the stakeholders involved.

[SCMP, 21/02/2022]

Hong Kong budget is insufficient to address climate change crisis

On 23 February 2022, Paul Chan Mo-po, the Financial Secretary, announced the 2022-23 government budget measures in response to the climate change crisis.

The government proposes reserving HK\$200 million funding for the Green Tech Fund, injecting HK\$1.5 billion into the EV-Charging at Home Subsidy Scheme and allocating HK\$8.4 billion to improve the multi-district storm water drainage system to address climatic change threats.

Although the government has committed funds to mitigate climate change, the funds do not address the issues of sea level rise and reducing the carbon production.

In 2021, the UN Climate Change Conference reviewed progress in implementation of the Paris Agreement. The Conference stressed that the current measures and mitigation programmes are insufficient to keep the global temperature rise within 1.5 degree Celsius by the end of the century.

While carbon reduction is important to address global climate crisis, the government still proposes to set aside HK\$100 billion revenue for new housing and transport infrastructure in the Northern Metropolis and issuing bonds and making use of public-private partnerships to fund the Lantau Tomorrow project. The Lantau Tomorrow project will require a lot of reclamation, which will pose risk relating to rising sea levels. If the government undertakes the project without environmental safety procedures, it will exacerbate the climate crisis. Therefore, the proposed measures are not in keeping with the global carbon reduction objective.

[SCMP, 04/03/2022]

ADVISORY COUNCIL ON THE ENVIRONMENT (ACE)

Summary of Minutes of the 250th Meeting of the Advisory Council on the Environment (ACE) on 8 November 2021

The key agenda item of the meeting was briefing members on the proposal for creating artificial islands in the Central Waters.

Lantau Tomorrow Vision

- Creating artificial islands in Central Waters was one of the initiatives in *Lantau Tomorrow Vision* announced by the Chief Executive
 in the 2018 Policy Address as a means of meeting long-term development needs of Hong Kong.
- The Civil Engineering and Development Department ("CEDD") and the Planning Department ("PlanD") jointly commenced a consultancy process concerning the "Artificial Islands in the Central Waters—Investigation" ("the Study") and sought members' views on the Study and the proposed environmental impact assessment.

Ecological assessment

- The chairman and two members considered that ecological surveys of the area in the vicinity of Kau Yi Chau ("KYC") should be accorded top priority in order to provide meaningful input in the process to determine the reclamation extent and other details of the project.
- The chairman and two members also suggested that the study team brief ACE on the progress of the project at regular intervals so as to gauge members' views.

Environmental impact assessment

- The chairman enquired if there would be an assessment of the potential negative environmental impacts and mitigation measures required to address the natural and marine environment threats arising from all the projects.
- Two members further suggested conducting a strategic environmental assessment ("SEA") to assess the cumulative environmental impacts of all concurrent development projects in a holistic manner.
- A member advised that the upcoming EIA studies would consider the implementation programmes of the KYC Artificial Islands and assess the associated cumulative environmental impacts arising from other concurrent projects identified as having a bearing on the environmental acceptability of the KYC Artificial Islands in accordance with the requirements under the *Environmental Impact Assessment Ordinance* (Cap. 499)

Alternatives to land reclamation

- A member suggested the use of floating structures, as an alternative for land reclamation, for providing a platform for artificial wetlands as well as recreational facilities; he referenced the experience of some overseas cities in using this technique.
- The chairman and a member shared the same view and considered that the government could draw reference from the experience of
 relevant overseas cities in exploring new technologies and alternatives for reclamation to minimise the area of reclaimed land as far
 as practical.
- A member also suggested that the government should conduct an impact study to examine the effectiveness of the KYC artificial islands in addressing housing needs.
- A member also reminded ACE that the government should ensure that the development of KYC artificial islands should benefit the whole society instead of just the people living on the islands.
- The chairman further pointed out that apart from addressing housing needs, the development of KYC artificial islands would also serve as the third core business district and "Double Gateway" providing new economic opportunities and transport corridor.

Ecological impact

- A member considered that urban forestry designs --such as streetscape canopies or balcony gardens-- were only superficial "greening works" which would not be able to enhance the biodiversity.
- A member further suggested that the study team should devise detailed targets and plans for enhancing biodiversity, and associated mitigation measures for the potential loss of coral habitat due to reclamation

Climate resilience

- The chairman enquired as to the technical assessment of possible climate change impacts in relation to the proposed artificial islands.
- Another member enquired about the technical assumptions regarding climate change adopted in the project and the design features of essential infrastructure for withstanding the problems arising from climate change.
- The study team advised that they would keep in view the latest development in climate change issues in the Mainland and overseas. They would also communicate with relevant departments with a view to incorporating climate resilient features in the project where appropriate.

Carbon neutrality

- The study team advised that the preliminary target was to achieve carbon neutrality of the artificial islands during the operational phase.
- The study team also supplemented that efforts could also be made in energy saving and enhancing energy efficiency of utilities as well as increasing the use of renewable energy on the artificial islands.

Land use planning

- A member raised a question on the design concept of the "15-minute neighbourhood".
- The study team explained that the concept was to enable residents to reach open spaces, community facilities and their other daily needs within 15-minute walking or cycling distance from their homes in each neighbourhood.

Transport

- A member suggested that the Government should cater for the needs of different age groups in planning stages for transport within the artificial islands, since walking and cycling might not be suitable for the elderly.
- Another member commented that the transportation network should also cater for the need for essential and emergency services and alternative paths should be provided.

Target population

- A member raised a question as to the target population of the artificial islands.
- The study team advised that they would draw reference from the population projections of the relevant departments.

Public engagement

- Two members enquired about the public consultation for the proposed development of KYC artificial islands.
- Another Member suggested that the government should try to engage residents and workers who will be based on the KYC artificial
 islands with a view to addressing their needs.

District cooling system

- A member was concerned about the energy efficiency of the proposed district cooling system and was of the view that passive design, which allows users to control and adjust the cooling system, should be adopted.
- A member also commented that the use of treated effluent water for district cooling systems would result in less damage to the marine life as compared to the use of sea water.

 $[Advisory\ Council\ on\ the\ Environment,\ 08/11/2021]$

CLIMATE CHANGE

Climate change

Intergovernmental Panel on Climate Change warns of irreversible impacts of global warming

Before it is too late, the authors of a new report published by the Intergovernmental Panel on Climate Change (the "IPCC") say there is still a brief window of time to avoid bringing the irreversible impacts of global warming upon mankind and other species on Earth.

"Our report clearly indicates that places where people live and work may cease to exist, that ecosystems and species that we've all grown up with and that are central to our cultures and inform our languages may disappear" said Professor Debra Roberts, co-chair of the IPCC.

This report reports on the IPCC's investigations of the causes, impacts (i.e. extreme wildfires, rising sea levels etc.) and resolutions relating to climate change. It gives the clearest indication of how global warming is affecting all species on Earth.

This report stresses that impacts of global warming are extending beyond the ability of many people to cope.

Between 2010 and 2020, there was a dramatic increase in the numbers of people dying from impacts of climate change in vulnerable regions, such as parts of Africa, South Asia and Central and South America. Coral reefs are dying from rising temperatures and trees are succumbing to extreme weather.

Adverse health effects are also an increasing concern. According to the report, diseases will likely spread more quickly as the planet warms. In addition, this report also mentions that climate change may be exacerbating mental health problems, such as stress and trauma related to extreme weather events and the loss of livelihoods and culture.

"If our development pathways are ones in which health systems don't improve much, education doesn't improve much, our economies aren't growing very fast and inequality remains a big problem, that's a world where a particular amount of climate change is going to have a really big impact," said Prof Brian O'Neill, an IPCC coordinating lead author from the Pacific Northwest National Laboratory in the US.

"In contrast, if it's a world where we are really making rapid progress on education and health and poverty, if climate change is imposed on that society, the risk will be much lower."

[*The BBC*, 28/02/2022]

New York is preparing for expected rising sea levels

Rising sea levels is an imminent concern to many coastal cities in the world.

According to the latest U.S. National Oceanic and Atmospheric Administration report, sea levels are expected to increase by up to a foot by 2050, which may lead to more frequent coastal floods in the United States.

In an attempt to prevent excessive damage from flooding, New York City, is reconstructing parks and communities from East 25th Street to Montgomery Street as part of the East Side Coastal Resiliency Project.

"Through science-based analysis, policy and program development, and capacity building, the city's resiliency efforts are ensuring that New York City is ready to withstand and emerge stronger from the multiple impacts of climate change, including from more frequent hurricanes, higher sea levels, extreme precipitation and more extreme temperatures," a City Hall spokesperson told ABC News.

The \$1.45 billion project is set to be completed by 2025. It will create a 2.4 mile floodwall and floodgates, as well as elevate parts of the region by up to 9 feet, to keep the storm surge out of the neighbourhood.

[The ABC News, 11/03/2022]

REGIONAL & INTERNATIONAL

CHINA

Companies' false carbon emission reports

Four service providers have been under investigation by China's top environmental watchdog regarding their greenhouse gases reporting. However, it has been reported that the agency is guilty of helping carbon emitters in falsifying emission data, putting the reliability of carbon emission reports in doubt and halting the successful operation of the country's carbon trading market.

To align with the 26th UN Climate Change Conference of the Parties' global agenda, China has announced that it will aim to peak its carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060, which is an important commitment to reduce the human-related causes of climate change.

To achieve China's climate pledge, the government has issued a policy instrument. Declaring, in part that emission data are key to the market's operation, as the data will determine whether emitters have to buy carbon emission allowances. The program imposes carbon emission limits for every unit of electricity a power plant generates, and in which cycle of trading emitters will have to purchase allowances if the emission intensity of their plants exceeds the bench-mark.

From October to December 2021, the Ministry of Ecology and Environment dispatched 31 teams to check emitters' carbon emission reports and provide support to improve the quality of the documents. During the process of ensuring data integrity, the companies were found to have falsified testing reports, provided fake samples and fabricated conclusions. Zhongtan Nengtou Science and Technology (Beijing) has falsified and even fabricated carbon content information for some emitters. Dongmei Test and Analytics Institute in Liaoning province has provided false information and issued monthly testing reports even though emitters had not provided samples every month. SinoCarbon Innovation & Investment has compiled data verification reports when employees who signed the documents had not been involved in the verification work. Employees of Qingdao Xinuo New Energy in Shandong province did not conduct verification of the environmental impact assessment report or compliance with pollutant discharging permits and other key documents.

The ministry has urged local environmental authorities to conduct further investigations into these technology service providers and other companies involved. Although the ministry did not disclose the punishments the offending companies faced, it has announced that those who falsify data and conceal and fabricate information will be facing severe punishments.

[China Daily, 16/03/2022]

AUSTRALIA

Queensland's electric vehicle subsidy scheme

Premier Annastacia Palaszczuk has announced the Queensland Zero Emission Vehicle Strategy 2022-2032 to support the state's commitment of net-zero emissions by 2050.

The Queensland government will pay a A\$3,000 subsidy to electric vehicle buyers and build new charging stations. However, the offer will not apply to all new electric vehicles sales, but only for new electric cars that cost up to \$58,000. The cap is set purposely lower than other states; for example, NSW's similar subsidy scheme has a new car price cap of \$68,000. According to Transport Minister Mark Bailey, this is because the Queensland government did not want to subsidise well-off people who can easily afford the vehicles.

Statistics have shown that the number of electric cars registered in Queensland is increasing. and Mr. Bailey estimated that there are 8,000 currently registered in Queensland, compared to 2,862 in January last year. The scheme is expected to encourage people to buy electric vehicles, give automotive industry confidence to set up shop in Queensland and inspire manufacturers to offer more models in the cheaper price bracket.

Any electric vehicle within the cap bought from 16 March 2022 onwards will be eligible for the subsidy and applications may be made from 1 July 2022. The subsidy will be provided as a rebate later in the year and it is expected the scheme will be in place for 3 years.

Queensland Government data showed that in comparison to the cost to refuel petrol or diesel vehicles, it was cheaper to recharge an electric vehicle. According to statistics, the average Queensland motorist drives 13,400 kilometres annually and spends approximately \$1,400 on petrol per year; an electric vehicle travelling the same distance would cost approximately \$502 in electricity costs or charging could be free if home charging through solar panels.

It is calculated by the Electric Vehicle Council of Australia that EV running costs are about 70 per cent cheaper per kilometre.

[ABC News, 16/03/2022]

Great Barrier Reef facing severe bleaching events

The Great Barrier Reef Marine Park Authority (GBRMPA) confirmed that bleaching is widespread in both the far north and the central sections of the reef; bleaching in the central part of the world's largest coral reef is rated as severe. According to the Reef Authority's chief scientist, David Wachenfeld, the situation is concerning, especially as in the more severe heat stressed parts of the Reef coral mortality has been occurring.

Widespread serious bleaching was not seen until 1998. However, with soaring greenhouse gas emissions heating the globe, it appears to now be a common occurrence; recent mass bleaching occurred in 2002, 2016, 2017 and 2020. Richard Leck from World Wide Fund for Nature (WWF) Australia stressed that this sixth significant bleaching event showed the Reef was in grave danger.

Bleaching occurs when the water is too warm for too long. Bleaching is when the coral expels the algae living inside it, leaving it colourless. The algae is needed also to provide the coral with most of its energy. Lissa Schindler from the Australian Marine Conservation Society said that reefs can recover from bleaching, but it takes years. The worst situation is when temperatures do not return to normal, as this may lead to the death of the coral. If bleaching occurs regularly, the reef ecosystem can collapse.

UNESCO last year recommended the Great Barrier Reef be put on the list of World Heritage In Danger, and set out that one of the key issues was Australia's weak emissions reductions targets. Coral bleaching is directly attributable to climate change caused by rising global emissions. UNESCO warned that Australia should step up on emissions reductions and carry out action at all possible levels to address the threat from climate change in accordance with the Paris Agreement.

[ABC News, 18/03/2022]

UNITED KINGDOM

Public to track fruit trees for climate study

The British public has been asked to track flowering fruit trees to help determine whether climate change is changing blooming patterns. Scientists fear that climate change may be causing trees to flower earlier than expected. The time when most trees flower is when insect pollinators are most active. Pollinators, such as bees, hoverflies, wasps and moths, have evolved symbiotically with the plants they pollinate.

A fruit recording website has been developed by the University of Reading and Oracle for Research, where citizens can easily upload their findings. Citizens will initially be asked to record the flowering cherry and plum trees near them, with apple trees soon to follow. Information to be uploaded includes the type of tree, its location, the stage of flowering and photos of the tree. This information will be uploaded into an interactive map which will show how climate change is affecting flowering times compared with pollinator activity. In particular, the collated data will provide researchers with a bigger picture of how blooming times differ between regions. All the relevant information will also be shared on the map.

The implication of a change in blooming patterns may mean that fruit trees, such as apple, pear, cherry and plum trees, are adversely affected, as they rely on insect pollination to produce their fruit. This may also in turn harm insect population. According to Chris Wyver, the PhD researcher at the University of Reading who is leading the Fruit watch Project, the change in blooming patterns of fruit trees could mean supply issues, and more expensive and lower-quality fruit. Insects also form an important part of the ecosystem. If insects are unable to pollinate fruit trees then something else will have to – potentially human beings.

The scientists hope to utilise the data to target conservation action to the most affected areas and to help with insect pollination in orchards.

[The Guardian, 19/03/2022]

UNITED STATES

Severe drought in U.S.

Sixty percent of the United States is experiencing a severe drought which is likely to continue until June Drought conditions are affecting more than half of the continental United States, resulting in water supplies shortage and increasing the risk of wild fires. Fuelled by climate change, the drought that started in 2000 marks the end of the driest two decades in the U.S. since 800 A.D.

The National Oceanic and Atmospheric Administration ("NOAA") has reported that the drought is the worst since 2013, and the spring outlook from the agency expects the situation to worsen in coming months, due to above-average temperatures and below-average precipitation. While it is reported that Western states remain in better shape than they were last summer, some states in the Southern Plains are in significantly worse shape.

During a call with reporters, Jon Gottschalck, the operational branch chief at NOAA's Climate Prediction Center, said that the few patches of the Southwest and the Southern Plains not currently experiencing drought — namely parts of Arizona, Kansas and Texas — were expected to begin to be drought-affected in the near term.

In particular, Amazon is losing capacity to recover from droughts and land-use changes, adding emphasis to concerns that destruction of rainforests is nearing a point where much of it has been replaced by grassland. This will lead to dire, extensive consequences for biodiversity and climate change, according to a major United Nations report. The rapid change in climatic conditions may soon overwhelm the ability of both nature and humanity to adapt. In light of the situation, scientists who know the severity of the situation have decided to go on strike to raise public awareness of the importance of prompt action.

The risk of wildfires has been on an increasing trend in recent years. A study published this week by researchers at the University of Colorado Boulder has shown that from 2005 to 2018, in comparison with the previous two decades, fires occurred twice as often in Western states and four times as often in Great Plains states. A recent United Nations report has also shown a similar trend occurring globally, and concludes that devastating fires will occur with more regularity as climate change worsens.

[The New York Times, 17/03/2022]

WORLD

In early March the United Nations launched formal negotiations for a global treaty to address the plastic waste issue.

By 2040, it is estimated that the amount of plastic waste in the oceans will be triple current, already disastrous, levels. Despite increasing world wide concern about plastic waste, less than 10 per cent of plastic is recycled, with most winding up in landfill or oceans. In response to this crisis, governments are under pressure to reduce plastic waste.

The framework for a comprehensive treaty has been approved by UN member states; it includes the major plastic waste producing nations, such as the United States and China.

Officials say the framework gives negotiators a broad and robust mandate to consider new rules that target plastic pollution from its birth as a raw material to its design, use and safe disposal. This could include limits on making new plastic, which is derived from oil and gas, though policy specifics will only be determined at a later stage.

Not only would a treaty tackle ocean pollution, negotiators have also the scope to consider all aspects of pollution, such as air, soil, and food-chain pollution.

[The SCMP, 03/03/2022]

This Quarterly Report does not constitute legal advice given on any particular matter. Whilst all effort has been made to ensure completeness and accuracy at the time of publication, no responsibility is accepted for errors and omissions. Further information and enquiries in respect of this quarterly should be directed to Fred Kan & Co.

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Convictions under environmental legislation: December 2021 to March 2022 (April 2022 data not available)

[Note: the EPD no longer classifies second (and subsequent) offences.]

The EPD's summary of convictions recorded and fines imposed during the above period is as follows:

December 2021

Fifty-seven convictions were recorded in December 2021 for breaches of legislation enforced by the Environmental Protection Department.

Eight of the convictions were under the Air Pollution Control Ordinance, 1 was under the Noise Control Ordinance, 26 were under the Public Cleansing and Prevention of Nuisances Regulation, 19 were under the Waste Disposal Ordinance and 3 were under the Water Pollution Control Ordinance.

A company was fined \$17,000, which was the heaviest fine in December, for discharging waste or polluting matter into a water control zone.

January 2022

Sixty-seven convictions were recorded in January 2022 for breaches of legislation enforced by the Environmental Protection Department.

One of the convictions was under the Air Pollution Control Ordinance, 14 were under the Noise Control Ordinance, 31 were under the Public Cleansing and Prevention of Nuisances Regulation, 3 were under the Product Ecoresponsibility Ordinance, 14 were under the Waste Disposal Ordinance and 4 were under the Water Pollution Control Ordinance.

A person was fined \$20,000, which was the heaviest fine in January, for discharging liquid livestock waste improperly.

February 2022

Thirty-six convictions were recorded in February 2022 for breaches of legislation enforced by the Environmental Protection Department.

Two of the convictions were under the Air Pollution Control Ordinance, 8 were under the Noise Control Ordinance, 9 were under the Public Cleansing and Prevention of Nuisances Regulation, 2 were under the Product Ecoresponsibility Ordinance and 15 were under the Waste Disposal Ordinance.

A company was fined \$10,000, which was the heaviest fine in February, for importing controlled waste without a permit.

March 2022

Twenty-seven convictions were recorded in March 2022 for breaches of legislation enforced by the Environmental Protection Department.

One of the convictions was under the Noise Control Ordinance, 23 were under the Public Cleansing and Prevention of Nuisances Regulation, 2 were under the Waste Disposal Ordinance and one was under the Water Pollution Control Ordinance.

A company was fined \$7,000, which was the heaviest fine in March, for discharging waste/polluting matter into a water control zone.

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