

FRED KAN & CO.

Solicitors & Notaries



Illegal wildlife trafficking is an increasingly significant cause of the loss of biodiversity globally. Hong Kong has long been a major hub for this illegal trade, but our government has been slow to address this critical environmental problem, which is the focus of the main article in this edition of the UPELQ.

The Editors

CONTENTS

FEATURE:	Page
ILLEGAL WILDLIFE TRAFFICKING MUST BE DEALT WITH	
MORE EFFECTIVELY	1
TOWN PLANNING	4
LEGISLATION DIGEST	4
WEST KOWLOON CULTURAL DISTRICT (WKCD)	5
HONG KONG BRIEFING	6
ADVISORY COUNCIL ON THE ENVIRONMENT (ACE)	6
CLIMATE CHANGE	7
REGIONAL & INTERNATIONAL	8
PROSECUTION STATISTICS	12

ILLEGAL WILDLIFE TRAFFICKING MUST BE DEALT WITH MORE EFFECTIVELY

Global mass extinction of species

In March 2020 a report, researched and written by a number of eminent scientists specialising in environmental sciences, was published. Its title: *Vertebrates on the brink as indicators of biological annihilation and the sixth mass extinction* indicates the seriousness of its contents in terms of the state of global biodiversity.

The thorough analysis and conclusions in the Report should be alarming for anyone concerned about protecting the health of the world's biodiversity. Several of the key findings and conclusions of the Report are set out below.

Sixth mass extinction

In the opening paragraph, the Report sums up the tragic modern-day loss of species:

The ongoing sixth mass species extinction is the result of the destruction of component populations leading to eventual extirpation of entire species. Populations and species extinctions have severe implications for society through the degradation of ecosystem services. Here we assess the extinction crisis from a different perspective. We examine 29,400 species of terrestrial vertebrates and determine which are on the brink of extinction because they have fewer than 1,000 individuals. There are 515 species on the brink (1.7% of the evaluated vertebrates). Around 94% of the populations of 77 mammal and bird species on the brink have been lost in the last century. Assuming all species on the brink have similar trends, more than 237,000 populations of those species have vanished since 1900. We conclude the humancaused sixth mass extinction is likely accelerating for several reasons. First, many of the species that have been driven to the brink will likely become extinct soon. Second, the distribution if those species highly coincide with hundreds of other endangered species, surviving in regions with high human impacts, suggesting ongoing regional biodiversity collapses. Third, close ecological interactions of species on the brink tend to move other species toward annihilation when they disappear - extinction breeds extinctions. Finally, human pressures on the biosphere are growing rapidly, and a recent example is the current coronavirus disease 2019 (Covid-19) pandemic, linked to wildlife trade. Our results reemphasise the extreme urgency of taking much expanded worldwide actions to save wild species and humanity's crucial life-support systems from this existential threat.

There were earlier mass extinction events during the last 450 million years, each of which destroyed 70-80% of plant and animal species. These events had natural causes, such as massive volcanic eruptions, loss of oxygen in the oceans and collision with an asteroid. However, the sixth mass extinction is being caused by human activities: As the Report notes:

Life has now entered a sixth mass extinction. This is probably the most serious environmental problem, because the loss of a species is permanent, each of them playing a greater or lesser role in the living systems in which we all depend. The species extinctions that define the current crisis are, in turn, based on the massive disappearance of their component populations, mostly since the 1800s. The massive losses that we are experiencing are being caused, directly or indirectly, by the activities of Homo sapiens. They have almost all occurred since our ancestors developed agriculture, some 11,000 years ago. At that time, we numbered about 1 million people worldwide; now there are 7.7 billion of us, and our numbers are still rapidly growing. As our numbers have grown, humanity has come to pose an unprecedented threat to the vast majority of its living companions.

Today, species extinction rates are hundreds or thousands of times faster than the "normal" or "background" rates prevailing in the last tens of millions of years. The recent United Nations report on biodiversity and ecosystem services estimates that a quarter of all species face extinction, many within decades. When a species disappears, a wide range of characteristics is lost forever, from genes and interactions to phenotypes and behaviours.

Examples of extent of species extinctions

The Report details numerous our examples of fauna and flora species loss in modern time, and also notes that millions of populations have vanished in the last 100 years; these include not only "obscure organisms of little interest to anyone" but also "many populations of large and conspicuous animals and plants, from lions and tigers to elephants and cacti".

For example, in a sample of 177 species of large mammals, most lost more than 80% of their geographic range in the last century, implying a very extensive extirpation of populations. Similarly, a recent study showed that 32% of more than 27,000 vertebrate species have declining populations. And the Living Planet Report found that roughly 70% of all individuals of vertebrate species have disappeared over than 50 years since 1970. Insects and other invertebrates have suffered huge losses also. About 75% of all flying insects in national parks in Germany disappeared in 25 years, and there are numerous signs that many species of insects are heading for the exit. Similar losses have been documented for various species of clams, snails and starfish and for plants.

The authors further note:

Examples documenting the ongoing biological annihilation are proliferating, each of them underlining the magnitude of the problem and the urgency of taking action. More than 400 vertebrate species became extinct in the last 100 years, extinctions that would have taken up to 10,000 years in the normal course of evolution. Among vertebrate species that have disappeared in historic times are the thylacine, the ivory-billed woodpecker and the Round Island burrowing boa. Champions of recent extinctions are amphibians, with hundreds of species of frogs and toads suffering population declines and extinctions: perhaps a fifth of the species extinct already or on the brink of extinction.

Significance of sixth mass extinctions

The authors warn:

The ongoing sixth mass extinction may be the most serious environmental threat to the persistence of civilisation, because it is irreversible. Thousands of populations of critically endangered vertebrate animal species have been lost in a century, indicating that the sixth mass extinction is human caused and accelerating. The acceleration of the extinction crisis is certain because of the still fast growth in human numbers and consumption rates. In addition, species are links in ecosystems, and, as they fall out, the species they interact with are likely to go also. In the regions where disappearing species are concentrated, regional biodiversity collapses are likely occurring. Our results emphasise the extreme urgency of taking massive global actions to save humanity crucial life-support systems.

Dire Biodiversity prognosis

Comparing historical date, the authors concluded that the rate of extinction of species today is dramatically higher than at any other time.

Under the last 2 million years' background rate, 2 species would be expected to become extinct in a century for every 10,000 species. Therefore, for the 29,400 vertebrate species evaluated in our study, one would expect 9 extinctions in the 150 years between 1900 and 2050. Instead of the 9 expected extinctions in the hypothetical scenario, 1,058 species would become extinct by 2050. So, the extinction rate by 2050 would be 117 times higher than the background rate. Therefore, the species extinct in those 150 years would have taken 11,700 years to become extinct under the background extinction rate.

In short, the authors offer a sombre prognosis for wildlife.

Documenting so many species on the verge of collapse has led us to suggest that future rates of extinction are probably underestimated. As our results indicate, the current rapid vertebrate extinction rate will itself increase sharply in the future. So, predictions that one-fifth of all species would be in danger of extinction by mid-century and half or more by the end of the century begin to make sense.

Illegal trafficking factor

In their concluding remarks, the authors highlighted the urgent need for all nations to take steps to curb dramatically the ever-increasing illegal trade in endangered species of flora and fauna.

The extinction crisis, like the toxification and climate crises to which it is tied, poses an existential threat to civilisation. Although it is more immediate than climate disruption, its magnitude and likely impacts on human well-being are largely unknown by governments, the private sector, and civil society. It is, therefore, a scientific and moral imperative for scientists to take whatever actions they can to stop extinction. For example, in relation to all under 5,000s species, they should be immediately classified by the IUCN as critically endangered. Indeed, the conservation of endangered species should be elevated to a national and global emergency for governments and institutions, equal to climate disruption. Among the possible actions, a global comprehensive binding agreement is required to address the extinction crisis, especially to tackle the legal and illegal trade in wild species. Such an agreement should be a mere first step in developing a 202-2030 conservation agenda.

Many of the species endangered or at the brink of extinction are being decimated by the legal and illegal wildlife trade, which poses a fundamental threat for human health and well-being, is a major cause of population and species extinctions, and its eroding the ecosystem services that we require to survive.

They add special mention of our region:

It is imperative that wildlife trade for human consumption is considered a gigantic threat to both human health and wildlife conservation. Therefore, it has to be completely banned, and the ban strictly enforce, especially in China, Vietnam, Indonesia, and other countries in Asia. It is also imperative that steps are taken to provide food for the poor people that conservation measures may deprive of bush meat, especially in Africa.

Hong Kong's role in illegal wildlife trafficking

Wildlife trafficking through Hong Kong

Hong Kong's regional position and free ports tradition have encouraged organised crime gangs to trade wildlife illegally through Hong Kong in high volumes over many years.

In 2019 more than 7000 endangered animals were illegally traded in Hong Kong, including pangolins and live turtles. During 2018/2019, 715 tons of rare and endangered species were seized by customs officials here in 1404 separate operations. For example, in 2019 8.2 tons of pangolin scales (which are used in Chinese medicine) and 2.1 tons of ivory were seized as illegally imported goods. However, no person has been prosecuted in relation to these seizures. Species and specimens of fauna and flora species commonly imported include endangered fish and eels; pangolins and pangolin scales; sharks' fins; sea horses; and exotic timbers, such as sandalwood, teak and rosewood.

Strengthening of Hong Kong's laws to combat illegal wildlife trafficking

Pursuant to sections 5-15 of the *Protection of Endangered Species of Animals and Plants Ordinance* (Cap 586) ("Ordinance"). It is an offence to import, re-export or possess species or specimens (e.g. fins, scales, horns etc.) of species listed in Appendix 1or 11. For example, section 5(1) prohibits importation of specimens of Appendix 1 species unless under licence issued by the Environmental Protection Department or a permit granted by an authorised authority in accordance with CITES (The Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed in Washington D.C. on 3 March 1973).

Penalties for an offence are quite severe: \$5,000,000 fine and 2 years imprisonment for a summary conviction and \$10,000,000 and 10 years for a conviction on indictment. However, as is generally the case in respect of Hong Kong's environmental legislation, enforcement of the laws is weak. In 2017-2021, for example, there were no prosecutions under the Ordinance. Indeed, the EPD's online enforcement data do not even refer to the Ordinance in the list of environmental legislation for which details of past, present or future steps to be taken to enforce legislated controls are explained.

Informed and engaged commentators have noted this appalling state of affairs; there is a general consensus that the EPD and Department of Justice have significant practical difficulties in gathering sufficient evidence to support prosecutions, bearing in mind, particularly that criminals tend to be well aware of their right to remain silent when questioned by police.

This defect in the enforcement armoury was the catalyst for enactment of *The Organised and Serious Crimes (Amendment) Ordinance* (No. 23/2021, 26 August 2021) to amend *The Organised and Serious Crimes Ordinance* (Cap 435) (OSCO) to include offences under the Ordinance in the definition of an "organised crime".

Investigation powers of the police and other "authorised offices" in relation to organised crimes are significantly enhanced by various provisions of the OSCO. We need not detail these here, but refer to the following as examples:

Section 3: The Secretary for Justice may apply for an order of the Court of First Instance compelling a person to attend for questioning by an authorised officer and to answer the questions and/or produce any material specified by The Secretary which the Secretary reasonably believes is material to the organised crime investigation.

Section 7(1): makes it an offence to do anything which may prejudice an investigation (e.g. hiding relevant material) when the person knows or suspects an application has been made for a section 3 order or a search warrant under Section 4.

Sections 8-12: enable the Secretary to apply to the Court for an order for confiscation of suspected proceeds of organised crime.

Penalties prescribed for failing to comply with directions made under sections 3 and 4, or otherwise breaching the OSCO are: (i) on indictment -7 years (ii) summary conviction - \$500,000 fine and 3 years.

The definition of an "organised crime" includes commission of two or more acts involving substantial planning and organisation by two or more persons as a result of which a Schedule 1 offence (now including offences under the Ordinance) is committed.

Conclusion

It is to be hoped (perhaps it is a forlorn hope) that the amendment to the OSCO will result in more successful prosecutions for illegal wildlife trafficking offences, which should reduce the incidence of this significant contributory cause of loss of biodiversity worldwide.

TOWN PLANNING

Facilitation measures for installation of solar photovoltaic systems

The government announced new Feed-in Tariff (FiT) rates and introduced measures to facilitate the installation of solar photovoltaic (PV) systems in open car parks by the private sector.

To combat climate change, the government has been promoting the development of renewable energy (RE). In 2018, FiT was introduced in collaboration with Hong Kong's two power companies to encourage the private sector to sell the RE generated to the power companies at a rate higher than the normal electricity tariff rate, with a view to providing incentives for the private sector to invest in RE.

Under the *Scheme of Control Agreements*, the government and the two power companies review the rates of FiT and price of RE certificates annually. In setting the FiT rates, the government and the power companies need to provide sufficient financial incentives for the private sector to invest in RE through shortening the payback period for RE systems to around 10 years whilst balancing the impact of the FiT on tariffs. In view of the significant reduction in the costs of developing distributed RE systems in recent years, the government and the power companies have decided that from 27 April 2022 the prevailing FiT rates will be adjusted.

As mentioned in *Hong Kong's Climate Action Plan 2050*, the government will endeavour to drive the development of RE through taking the lead in developing RE at government premises and facilitating the private sector in installing RE systems on their land and properties. Following relaxation of requirements for installation of solar PV systems on rooftops of New Territories Exempted Houses (also known as "village houses") and exempting individuals installing RE systems at their residential premises from the relevant taxation obligations and business registration requirements, the Environment Bureau and the Development Bureau introduced a set of measures to facilitate private sector installation of solar PV systems in open car parks. Details of the facilitation measures have been uploaded to Hong Kong Renewable Energy Net of the Electrical and Mechanical Services Department (re.emsd.gov.hk/).

[The Government of the Hong Kong Special Administrative Region Press Releases, 26/04/2022]

Support for engineering, architectural, surveying, town planning and landscape sectors

The government has introduced the Support for Engineering, Architectural, Surveying, Town Planning and Landscape Sectors 3.0 (Support Measure 3.0) to continue subsidising private organisations to employ assistant professionals and graduates in the construction industry.

Through Support Measure 3.0, the government provides relief to private organisations to hire assistant professionals and graduates so that these talents are retained in the industry and new members will be attracted to support the development of the professional sectors of the construction industry.

Support Measure 3.0 provides a total of 2 000 subsidised places in the workforce, including 1 375 places for assistant professionals and 625 for graduates.

For assistant professionals, the subsidy scheme mainly targets assistant professionals who complete the training recognised by the corresponding professional institutes of the engineering, architectural, surveying, town planning and landscape sectors within this year. For each eligible assistant professional, the employer will receive a subsidy of \$10,000 per month for up to 12 months.

In respect of graduates, the targets of the subsidy scheme are fresh graduates with degrees in architecture, surveying, town planning and landscape architecture. For each eligible graduate, the employer will receive a subsidy of \$5,610 per month for up to 18 months. For fresh graduates studying engineering, employers can apply for subsidies under the *Engineering Graduate Training Scheme*. For each fresh graduate studying engineering subjects, the employer will receive a subsidy of \$5,610 per month for up to 18 months.

[The Government of the Hong Kong Special Administrative Region Press Releases, 10/06/2022]

LEGISLATION DIGEST

No more classic vehicles exemptions

The Environmental Protection Department announced that the exemption for classic vehicles and petrol vehicles imported for personal use from noise and air emission regulations at their first registration will cease on 1 June 2022.

Classic vehicles are vehicles which are manufactured at least 20 years before the application date of the exemption.

For a vehicle imported for personal use, an applicant must have owned it outside Hong Kong for more than six months and should normally reside in that place prior to the application for exemption.

Such vehicles include petrol private cars, motorcycles and motor tricycles.

The department decided to stop the discretionary exemption for those classic cars and imported petrol vehicles so as to ensure all first-registered vehicles meet relevant noise and air emission standards.

People may continue to import classic or petrol vehicles for personal use according to the regulations and to prove that their vehicle has been tested and complies with the noise and air emission regulations before its first registration through submitting the required certifying documents.

[News.gov.hk, 31/05/2022]

Increased plastic bag charge

The Hong Kong government is proposing to amend the *Product Eco-responsibility Ordinance*. The following are the proposed amendments:

- Plastic shopping bags will only be provided when buying items which are without packaging or not wholly contained in any packaging.
- The charge for each plastic shopping bag will increase from 50 cents to at least \$1.

Apart from this, the government will amend the *Product Eco-responsibility (Regulated Articles) Regulation* for implementing the producer responsibility scheme for glass beverage containers to set the level of the recycling levy at \$0.98 per litre.

[News.gov.hk, 08/06/2022]

WEST KOWLOON CULTURAL DISTRICT

West Kowloon Cultural District Authority announces the signing of a \$4 billion sustainability-linked loan

The West Kowloon Cultural District Authority has announced the signing of its inaugural HK\$4 billion Sustainability-linked Loan (SLL), which is the first of its kind among statutory bodies and arts and cultural institutions in Hong Kong. The Authority is a statutory body established by the Hong Kong government to develop the West Kowloon Cultural District, a 40-hectare land dedicated for arts and cultural venues.

The syndicate of banks which granted the loan is led by HSBC and Standard Chartered as Global Coordinators and Sustainability Structuring Banks. SLL was syndicated to a total of 9 banks from diverse regions. The amount well exceeded the Authority's required loan amount of HK\$4 billion. This has shown that the banking community has full confidence in the Authority's development prospects and its capability to carry out its many projects. Under the terms of the SLL, the Authority will receive a tiered discount rate on the interest margin throughout the loan tenure if it achieves pre-determined ESG targets.

[Press Release of the West Kowloon Cultural District, 13/04/2022]

M+ announces the opening of M+ Cinema

M+, Asia's first global museum of contemporary visual culture in the West Kowloon Cultural District has announced the opening of M+ Cinema to the public on 8th June 2022. M+ Cinema comprises three theatres of 180 seats, 60 seats, and 40 seats capacity.

The M+ Cinema is set to feature seventy works from Hong Kong and around the world, with close to 100 screenings, featuring a wide range of moving image works, including feature films, documentaries, experimental cinema, video art, restored classics, and newly discovered or rarely seen films.

The Museum Director of M+, Suhanya Raffel, has emphasised the importance of M+ Cinema for the museum. Moving image is one of the three key disciplines that M+ collects, exhibits, and interprets, in its role as the museum of visual culture. The Museum can now bring a more comprehensive visual culture experience to visitors.

[Press Release of the West Kowloon Cultural District, 16/05/2022]

Hong Kong Palace Museum to open

The Hong Kong Palace Museum, located at the city's art hub in West Kowloon, is expected to open on 2 July 2022. The Museum has a total floor area of about 30,000 square metres and exhibition space of 7,800 square metres. The opening is part of the celebration in marking the 25th anniversary of Hong Kong returning to Chinese rule.

Ticket prices range from HK\$50 to HK\$120; walk-in purchase of tickets will not be allowed. A regular adult ticket will cost HK\$50, which gives access to seven of the nine galleries; a HK\$120 ticket will allow people to visit two other special galleries as well. The Authority's chief executive, Betty Fung Ching Suk-yee, said that the entrance fees will provide the income required to ensure the Museum's long-term financial viability. The financial status of the Museum has been a concern for the Authority due to the delayed completion of commercial and hotel buildings, as well as the Covid-19 pandemic that contributed to financial pressure. It is reported that the Museum has managed to cover about half of its expenditure for the period between 2023 and 2025 through forward ticketing sales and corporate sponsorship.

Exhibited antiques include paintings, calligraphy, bronzes, ceramics, jades, metalwork, enamelware, lacquers, seals, costumes and textiles, jewellery, rare books and architecture. They will be shown in nine galleries at the venue for about a year. A selection of pieces will only be displayed in Hong Kong for a month to avoid any possible damages. Over 900 pieces that will be displayed have been loaned from Beijing's Palace Museum, including 166 "grade one" items classified as national treasures.

[SCMP, 07/06/2022]

HONG KONG BRIEFING

Third round of Green Employment Scheme

The Environment Bureau announced on 20th May 2022 that it will create a total of nearly 1,000 "green employment" opportunities under the new round of the *Green Employment Scheme* in 2022.

The Bureau implemented the *Green Employment Scheme* in 2020; 2022 is the third consecutive year in which the *Scheme* has created or subsidized jobs through a Graduates Subsidy Programme which subsidises private companies and suitable organisations to employ graduates working in areas related to: environmental protection; ecological conservation; green energy and energy conservation; climate change; and sustainable development.

The third round of *Green Employment Scheme* will cover three main categories of environmental protection work, namely: "Electric Vehicles (EVs) Popularisation"; "Use Less, Waste Less"; and "Leave No Trace at Mountain and Sea".

The Environmental Protection Department will create about 160 green ambassadors and project support positions via various organisations to explain green hiking etiquette to the public at popular hiking spots and to enhance promotion of the "Leave No Trace at Mountain and Sea" hiking culture. Approximately 100 staff members will also be recruited to engage in coastal cleaning and publicity work via contracting organisations to help protect the shoreline environment. As well, 300 jobs will be created under the category of "Use Less, Waste Less" to strength support for waste reduction and recycling.

The Graduates Subsidy Programme provides employers of eligible graduates with a monthly subsidy of \$5,610 to form part of the monthly salary paid to each eligible graduate for a period of 18 months. The application period will be open from July 4 to September 30.

[Press Release of the Government of the Hong Kong Special Administrative Region, 20/05/2022]

Waste collection drivers' subsidy

The Environment Bureau announced on 26 May 2022 that the special allowance scheme for drivers and drivers' assistants employed in municipal solid waste and domestic sewage collection will be launched under the sixth round of the Anti-epidemic Fund.

Drivers of waste collection vehicles have been providing uninterrupted services to the public to maintain the environmental hygiene in the city while being exposed to higher health risks during the outbreak of fifth wave of the covid-19 pandemic.

According to the Bureau's spokesman, eligible staff will be able to receive a one-off allowance plus a monthly allowance of \$2,000 per person for five months, making a total subsidy of \$10,000 per person, in recognition of their efforts and contributions to society during the fifth wave of the epidemic.

Companies which are mainly engaged in the business of collecting municipal solid waste and domestic sewage and own the business-related vehicles have to apply to the subsidy on behalf of eligible stuff. The subsidy will be disbursed to the staff through their companies upon the approval of the application by the Environmental Protection Department.

[Press Release of the Government of the Hong Kong Special Administrative Region, 26/05/2022]

Vehicles exemptions to be lifted

With effect from 1st June 2022, the Environmental Protection Department announced the termination of exemption for classic vehicles and petrol vehicles imported for personal use from the *Noise Control (Motor Vehicles) Regulation* and the *Air Pollution Control (Vehicle Design Standards) (Emission) Regulations* at the vehicle's first registration.

There has been an increasing number of classic vehicles and petrol vehicles imported for personal use, which are exempted from noise and air emission regulations applying to first-registered vehicles in recent years. However, concerns about the noise and exhaust emissions of motor vehicles has prompted the Environmental Protection Department to revisit the current exemption policy in order to ensure that all first-registered vehicles meet the noise and air emission standards in order to improve the noise environment and air quality in the city.

Removing the current vehicles exemptions means that members of the public have to submit relevant documents to the Environmental Protection Department to prove that the subject vehicle has been tested and complies with the relevant regulations before importing any classic vehicles or petrol vehicles for personal use. For those who has signed a contract to purchase or has ordered a classic vehicle and made full or partial payment for it or shipment has already been arranged to be imported for personal use to Hong Kong may apply for exemption for testing and a certificate of compliance with the emission requirement before 14 June. It should be noted that whether such exemptions will be granted are at the discretion of the Director of the Environmental Protection Department.

[Press Release of the Government of the Hong Kong Special Administrative Region, 31/05/2022]

ADVISORY COUNCIL ON THE ENVIRONMENT (ACE)

Summary of Minutes of the 252nd Meeting of the Advisory Council on the Environment (ACE) on 7 March 2022 at 2:30 p.m.

The meeting reviewed the Environmental Impact Assessment ("EIA") process stipulated under the *Environmental Impact Assessment Ordinance* ("EIAO").

The following are the key items reviewed:

Ecological impact assessment

With the aim to improve the quality of EIA work, some members suggested that the Technical Memorandum ("TM") should be reviewed and updated to incorporate new assessment parameters, more specific standards and guidelines on the assessment approach for different ecological surveys as to avoid the need to carry out additional surveys.

Relevant environmental assessments should be prepared and signed by qualified persons, which should improve the quality of experts' work. One member suggested that professional qualifications or a registry of qualified ecological experts should be established to enhance the efficiency of the preparation and the quality of the relevant studies.

Incorporating new environmental requirements

The Chairman and some members suggested the incorporation of new environmental parameters, such as impact assessments on climate change, carbon emissions and greenhouse gases, as part of the compulsory requirements under the EIAO.

Aside from long-term impact on environment and ecology, a member proposed to include requirements on public health improvement, such as increasing ventilation in buildings, in the EIA process.

Centralised Environmental Database ("CED")

Some members showed their support for developing CED so as to allow different users to obtain useful references in one platform. A member agreed that the proposed CED could help enhance the transparency and capacity of EIA work. A member suggested that academics and relevant experts should participate in the development of the CED and the information contained in the CED should be allowed to be used for educational and teaching purposes.

A member suggested that the CED be established by phases to facilitate its early usage and the Environmental Protection Department should invite different parties, such as the Antiquities and Monuments Office, to contribute data to the CED.

A few members further suggested that the outcomes of various environmental modelling, environmental monitoring and audits (EM&A) carried out by project proponents under the approved Environmental Permits (EPs) process should be reviewed and incorporated in the CED to provide helpful future references.

To protect endangered species, a member suggested that there should be limited access to some sensitive data in the CED, such as the locations of endangered species.

[Advisory Council on the Environment (ACE), 07/03/2022]

CLIMATE CHANGE

EU lawmakers block gas and nuclear from green taxonomy

Lawmakers in the European Parliament have formed a cross-party coalition in an attempt to block nuclear energy and fossil gas from receiving a green investment label under the EU's green finance *taxonomy*.

The cross-party coalition objected to a European Commission proposal, tabled at the end of last year, to include fossil gas and nuclear power in the EU's list of green investments as "transitional" sources of energy.

The objection was submitted ahead of a vote in the Parliament's economy and environment committees, which met in a joint session on 14 June 2022 to decide their stance on the proposal.

Regardless of the outcome, the motion will then be submitted again for a decisive vote at the Parliament's July plenary, which will have the final say on the matter.

A simple majority – or at least 353 MEPs – is needed to kill the proposal; the joint committee vote is seen as a dress rehearsal for this. If the objection passes, the inclusion of nuclear and fossil gas will still be voted on by the whole European Parliament in July. If it fails, it will be tabled again during the plenary vote.

In France, the inclusion of nuclear power in the taxonomy could come to the aid of its fleet of ageing nuclear reactors. The country has more than 56 reactors, with many about to reach or exceed 40 years of age.

In October 2020, French energy company EDF estimated that an investments of €49.4 billion is needed to maintain reactors that are over 40 years. If nuclear energy fails to make it into the taxonomy, EDF's survival in its current form could be put in question, threatening France's energy security.

Germany, meanwhile, has taken an ambiguous stance. In its feedback to Brussels, Berlin initially reiterated its opposition to nuclear power while calling on the European Commission to ease restrictions on fossil gas in the transition to a low-carbon energy system. It later said it would oppose the inclusion of both fossil gas and nuclear energy in the taxonomy.

[Climate Home News, 14/06/2022]

Rising sea levels threaten 200,000 UK properties

Nearly 200,000 properties in England may have to be abandoned by 2050 due to rising sea levels. According to a report published in the Journal Ocean and Coastal Management, there is consensus among scientists that decades of sea level rise are inevitable and the government has said that not all properties can be saved. According to the report, it is impossible to hold the line all around the coast and about a third of England's coast will be put under pressure by rising sea levels.

The report lists the South West, the North West and East Anglia as regions with the highest number of properties at risk of flooding. Higher sea levels not only increase the risk of flooding on the coast and in estuaries but also accelerate coastal erosion due to larger, more powerful waves.

The report for the first time looks at places where the costs of improving defences may be too high or technically impossible. It found that by 2050, assuming a conservative sea level rise caused by a global average temperature increase of 2C by 2100, up to 160,000 properties are at risk of needing relocation; in addition to between 30,000 and 35,000 properties that have already been identified as at risk.

The author of the report explained that there is no real engineering limit to how well we can protect ourselves. For example, the Thames barrier of London and all the walls and embankment continue to be raised in response to sea level rise. The author also stated that there are insufficient government funds under the current funding rules to protect every citizen in the UK.

[The BBC, 15/06/2022]

REGIONAL & INTERNATIONAL

CHINA

China aims to build climate-resilient society by 2035

In a bid to enhance China's resilience in the face of climate change and to build a "climate-resilient society" by 2035, China plans measures to step up its climate change monitoring and risk prevention capabilities.

According to the *National Climate Change Adaptation Strategy 2035*, China's climate change monitoring and early warning capability will reach an advanced level globally, while the climate risk management and prevention system will mature by 2035.

In addition, China will also take measures to prevent and control major climate-related disaster risks in an effective manner, and further improve techniques for adapting to climate change.

China first issued a *National Climate Change Adaptation Strategy* in 2013, when, for the first time, the government made climate change adaptation a national strategy. Since then, the country has achieved positive results in improving adaptation to climate change in key regions and industries.

[China Daily, 14/06/2022]

AFRICA

Africa's energy future

In 2022, more than half the population in Africa still lacks access to electricity and so continues to rely on charcoal as their power source.

As nations discuss the climate crisis at the UN's negotiations in Bonn, Agence France-Presse spoke to Mohamed Adow, founder of think tank Power Shift Africa, about the forces pulling the continent in opposing directions.

Question: You have said rich nations owe the rest of the world a climate debt

"The prosperity they enjoy was, in effect, subsidised by the rest of the world because they polluted without paying the cost for doing so."

"Africa is home to 17 percent of Earth's population but accounts for less than four percent of global greenhouse-gas emissions and only half-a-percent of historic emissions. The continent emits less than 1 tonne of carbon dioxide per person, compared to seven in Europe or China, and more than 15 in the United States."

"If the least-developed continent on our planet is going to leapfrog fossil fuels to renewables, rich nations must pay the climate debt they owe."

Question: Is the war in Ukraine affecting energy development in Africa?

"To attain energy security after Russia's invasion, Europe is effectively pushing Africa to pour its limited financial resources into developing its fossil gas extraction and export industry, primarily for consumers in Europe"

"Last month German Chancellor Olaf Scholz, during a three-day tour of Senegal, said his country wants to 'intensively pursue' projects to develop and import Senegal's huge gas reserves. German, of course, has been especially dependent on Russian gas."

"So now Europe wants to shackle Africa with new fossil fuel infrastructure that we know will be redundant within a few years, not to mention self-harming for the continent. And lest we forget: gas from Africa will emit the same amount of emissions as gas from Russia."

Question: The trillions needed to engineer a rapid transition to renewables will not come from public sources alone. How do you mobilise private capital?

"We need to think about long-term investment security in Africa. This is the most expensive continent for securing loans or credit. We need to introduce payment guarantee schemes that are backed by international finance to facilitate safe investment in renewable energy."

"But you still need public money to leverage international investment and finance. We also have to unlock Africa's domestic sources – public funds, sovereign wealth funds. And then there's debt. If we could swap some foreign debt for the kinds of investment Africa needs, it could make a big difference."

[Phys.org, 10/06/2022]

EUROPE

Drop in EU's greenhouse gas emissions

According to official EU data submitted by the European Environment Agency to the United Nations Framework Convention on Climate Change, Europe's reduction of greenhouse gas emissions in 2020 was the largest in the EU since 1990, and total emissions of greenhouse gas reached their lowest level since 1990.

It is reported that the EU had already reduced its emissions by 26% in 2019 and had achieved its 20% target before COVID-19 lockdowns began to impact emission levels.

Some of the key drivers that led to the reduction of greenhouse gas emissions include: increasing use of renewables; the use of less carbon intensive fossil fuels; improvements in energy efficiency; structural changes in the economy; lower demand for heating due to warmer winters in Europe; COVID-19 lockdowns; and the 2020 economic recession.

Almost all EU member states successfully reduced emissions compared to 1990. The UK and Germany accounted for 47% of the total net reductions over the past 30 years.

[European Environment Agency, 31/05/2022]

UNITED STATES

Boost for U.S. solar panels production

On 1 June 2022, President Joe Biden authorised the *Defense Production Act* ("DPA") to increase crucial supplies to manufacturers involved in the solar power industry and several other forms of clean energy.

The U.S. Energy Department is authorised to use the DPA to hasten domestic manufacturing of solar panel components, energy-efficient heat pumps, building insulation, electric transformers needed for the power grid and other equipment, such as electrolyzers and fuel cells.

The White House also announced a two-year suspension of anti-circumvention tariffs on solar panels that have effectively halted the U.S. solar industry, following lobbying from the U.S. solar industry. The tariffs caused hundreds of utility-scale solar projects in the U.S. to be delayed or canceled, and solar industry workers were laid off as a result.

The President's executive orders reference climate change as a rationale for using Presidential executive powers, as well as the current megadrought drying up water for hydroelectric power in western states, such as California.

"What we're seeing is a confluence of the impacts of climate change – the droughts out West, for example, reducing the output of our hydropower resources." a Whitehouse official said, adding it is crucial to deploy more clean energy like solar to make up for that lost electricity generation.

[ABC News, 07/06/2022]

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.

Members of ADVOCASIA



An Association of Asian Commercial Law Firms

Sydney, Australia
COLIN BIGGERS & PAISLEY

Level 42, 2 Park Street

Sydney, NSW 2000

Australia

Tel: +61 2 8281 4555 Fax: +61 2 8281 4567

Brisbane, Australia

COOPER GRACE WARD

Level 21, 400 George Street

Brisbane QLD 4000

Australia Tel: +61 7 3231 2444

Fax: +61 7 3221 4356

Perth, Australia

KOTT GUNNING

Level 8, AMP Building 140 St Georges Terrace WA 6000, Australia

Tel: +61 8 9321 3755 Fax: +61 8 9321 3465

Canberra, Australia
MADDOCKS

Level 1, 40 Macquarie Street

Barton ACT 2600 Canberra, Australia

Tel: +61 2 6120 4800 Fax: +61 2 6230 1479

Melbourne, Australia

MADDOCKS

Collins Square, Tower Two, Level 25

727 Collins Street, Melbourne VIC 3008, Australia

Tel: +61 3 92583555 Fax: +61 3 9258 3666

Adelaide, Australia

NORMAN WATERHOUSE

Level 11, 431 King William Street

Adelaide 5000 South Australia Tel: +61 8 8210 1200

Fax: +61 8 8210 1234

Bangladesh

A.S & ASSOCIATES

Suite D-5, 3rd Floor Mukti Bhaban, 21/1 Purana Paltan,

Dhaka-1000 Bangladesh

Tel: +88 0 2956 1540 Fax: +88 0 2956 1476

Phnom Penh, Cambodia

BNG LEGAL

No.64, Street 111 Sangkat Boeung Prolit

Khan 7 Makara Phnom Penh

Tel: +85 523 212 414 Fax: +85 523 212 840

Macau SAR, China

ANTÓNIO RIBEIRO BAGUINHO - LAWYERS AND PRIVATE NOTARIES

Av. da Amizade

555, Edif. Landmark

ICBC Tower,13 Floor, Room 1308

Macau

Tel: +85 3 2878 8128 Fax: +85 3 2870 5351

Hong Kong, SAR, China

FRED KAN & CO.

Suite 3104-06, 31st Floor

Central Plaza 18 Harbour Road

Hong Kong Tel: +852 2598 1318 Fax: +852 2588 1318

Baotou City, China JIANZHONG LAW FIRM

The Midlle Part of Jianshe Road

Baotou, Inner Mongolia P R China

Tel: +86 472 7155 473 Fax: +86 472 7155 474

Beijing, China

JINCHENG TONGDA & NEAL LAW FIRM

10th Floor, China World Tower No. 1 Jianguo Menwai Avenue

Beijing 100004

P R China

Tel: +86 10 5706 8585

Fax: +86 10 8515 0267

Qindao, China QINDAO LAW FIRM

15A Floor, Northern Tower 20 Hong Kong Road(M)

Golden Square

Qingdao 266071 P.R.China

Tel: +86 532 8502 3100 Fax: +86 532 8502 3080

Shanghai, China SHANGHAI UNITED LAW FIRM

17th Floor Bund Center 222 Yan An Road (East)

Huangpu District

Shanghai 200002

P.R. China Tel: +86 21-6841 9377

Fax: +86 21-6841 9499

9F, Pearl River Tower

Guangzhou, Dongguan, China ZHUOXIN LAW FIRM

15 Zhujiang W. Road Guangzhou 510623

P.R.China

Tel: +86 20 3941 6888 Fax: +86 20 3941 6999

SIWATIBAU AND SLOAN

8 Holland, Suva

Fiji

Tel: +679 3319167 Fax: +679 3319 263

Mumbai, India

DHRUVE LILADHAR & CO

61/62 Free Press House, 6th Floor 215, Free Press Journal Marg

Nariman Point

Mumbai 400 021 India

Tel: +91 22 6760 6000

Fax: +91 22 6760 6001

New Delhi, India
O.P. KHAITAN & CO.

Khaitan House B-1

Defence Colony, New Delhi-110 024

India

Tel: +91 11 4650 1000 Fax: +91 11 2433 7958

Jakarta, Indonesia

LEGISPERITUS LAWYERS

Mega Plaza 12th Floor

Jl. HR. Rasuna Said Kav. C-3 Jakarta 12920

Indonesia

Tel: +62 21 527 9109

Tokyo, Japan

SOGA LAW OFFICE

4F,Kojimachi MK Bldg. 4-3-30 Kojimachi, Chiyoda-ku

Tokyo 102-0083

Japan

Tel: +81 3 5919 3022

Fax: +81 3 5919 3350

Incheon, Republic of Korea K&P LAW FIRM

B2901, 323 Incheon tower-daero

Yeonsu-gu

Incheon 406840

South Korea Tel: +82 32 864 8300

Fax: +82 32 864 8301

Beirut, Lebanon

BRIDGE LEGAL GROUP

Stratum Office Building, 7th Floor Omar Daouk Street, Mina El Hosn Central District

Beirut, Lebanon Tel: +961 1 362944 Fax: +961 1 362945

Kuala Lumpur, Malaysia CHOOI & CMPANY +CHEANG & ARIFF

CCA@LOKE MANSION 39 Court @ Loke Mansion 273A. Jalan Medan Tuanku 50300 Kuala Lumpur Malaysia

Tel: +60 3 2691 0803 Fax: +60 3 2692 8533

Yangon, Myanmar

JTJB MYANMAR CO LTD

Suit No. 01-04, Union Business Centre Nat Mauk Road, Bo Cho Quarter, Bahan Township Yangon Myanmar

Tel: +95 1 8603455

Auckland, New Zealand

HESKETH HENRY

Level 14 PWC Tower 188 Quay Street Auckland 1010 Tel: +64 9 375 8700

Fax: +64 9 309 4494

Pakistan

WINSTON & SALEEM

90-G, 2nd Floor, H Block Commercial Area Phas 1, DHA, Lahore Punjab 54810, Pakistan Tel: +92 42 3574 1007

Manila, Philippines HERRERA TEEHANKEE & CABRERA LAW OFFICES

5th Floor, SGV II Building 6758 Ayala Avenue Makati City 1200, Philippines

Tel: +63 2 813 7111 Fax: +63 2 840 5555

Singapore

JOSEPH TAN JUDE BENNY LLP (JTJB)

No. 6 Shenton Way #23-08 DBS Building Tower Two Singapore 068809 Tel: +65 6220 9388

Fax: +65 6225 7827 Colombo, Sri Lanka

D.N. THURAIRAJAH & CO.

No. 23, First Lane, Kirulapone Colombo 05 Sri Lanka

Tel: +94 1 12828815 Fax: +94 1 12812959 Bangkok, Thailand

APISITH & ALLIANCE LTD.

57 Park Ventures Ecoplex, 9th Floor Unit 907 Wireless Road, Lumpini Pathumwan

Bangkok 10330 Thailand

Tel: +66 2 1082260 Fax: +66 2 6552265

<u>Dubai, United Arab Emirates</u> **LUTFI & CO.**

Office S2209 Level 22 **Emirates Financial Towers** Dubai International Financial

Tel: +971 4 3798298 Fax: +971 4 3798689

Ho Chi Minh City, Vietnam LUATVIET ADVOCATES AND SOLICITORS

6th Floor Pax Sky

34A Pham Ngoc Thach Street Ward 6. District 3 Ho Chi Minh City Vietnam

Tel: +84 8 3824 8440 Fax: +84 8 3824 8441

Convictions under environmental legislation: April to May 2022 (June 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:

April 2022

Forty convictions were recorded in April 2022 for breaches of legislation enforced by the Environmental Protection Department.

Four of the convictions were under the Air Pollution Control Ordinance, 9 were under the Noise Control Ordinance, 11 were under the Public Cleansing and Prevention of Nuisances Regulation, 14 were under the Waste Disposal Ordinance and 2 were under the Water Pollution Control Ordinance.

A person was fined \$20,000, which was the heaviest fine in April, for discharging waste/polluting matter into a water control zone.

May 2022

Eighty-two convictions were recorded in May 2022 for breaches of legislation enforced by the Environmental Protection Department.

Thirteen of the convictions were under the Air Pollution Control Ordinance, 5 were under the Noise Control Ordinance, 44 were under the Public Cleansing and Prevention of Nuisances Regulation, 19 were under the Waste Disposal Ordinance and 1 was under the Water Pollution Control Ordinance.

A company was fined \$80,000, which was the heaviest fine in May, for using powered mechanical equipment otherwise than in accordance with construction noise permit conditions.

Fred Kan & Co. Solicitors Suite 3104-06 Central Plaza 18 Harbour Road Wanchai Hong Kong