

**URBAN PLANNING AND
ENVIRONMENTAL LAW
QUARTERLY**

(Published since May 1992)

簡家驄律師行 · 城規環保季刊

As is the case in most developed countries, companies, listed on Hong Kong’s Stock Exchange are now required to disclose their business policies and practices affecting environmental, social and corporate governance matters, referred to as “ESG” requirements; In this edition we consider aspects of Hong Kong’s nascent ESG regime with particular focus on the environmental component.

The Editors

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HONG KONG’S TENTATIVE ESG STEPS

Background

Public companies, as versus private companies, are those listed on the Main Board or secondary, GEM Board of Hong Kong’s Stock & Exchange. They are “public” because members of the public can invest in them by buying a company’s shares through the trading platforms operated by the controller and manager, Hong Kong Exchange and Clearing Limited (HKEX).

During the last 20 years or so, the general public and shareholders have exerted increasing pressure on the boards of public companies to prioritise ESG matters, as well as profits, in the way they operate their business. This has led to regulatory authorities in developed jurisdictions enacting rules to force company boards to disclose--to the authorities and general public— steps they have taken, or plan to take, in order to conduct business in an environmentally and socially responsible way and with appropriate transparent corporate governance (for the protection of investors); i.e. ESG issues. In Hong Kong, ESG reporting requirements have been implemented and are enforced by HKEX rather than government agencies.

Hong Kong’s ESG evolution

The law

The only legislation related to ESG reporting is part of the *Companies Ordinance* (Cap.622) which deals with “Directors Report”.

“Section 388 (1) provides that: “*A Company’s directors must prepare for each financial year a report that: -*

- a) *complies with section 390 and 543 (2) and Schedule 5;”*

Schedule 5 (1) requires directors’ reports to contain a “*business review*”.

Schedule 5 (2) stipulates: “*To the extent necessary for an understanding of the development performance or position of the company’s business, a business review must include:*

- a)
- b) *a discussion on (sic):-*
- (i) *the company’s environmental, policies and performance;”*

These statutory provisions make it clear that as far as our law-makers are concerned, corporate responsibilities in respect of the environment are limited to, and measured through, a company's business performance. This is concerning, given that Hong Kong's collective focus on making money, and the government's traditional ambivalence to environmental issues. It has been left to HKEX to attempt to fill in the hiatus.

ESG Reporting Guide

HKEX introduced its ESG Reporting Guide ("Guide") and consequential changes to its Listing Rules in 2013. The Guide was significantly amended ("*enhanced*" is the term HKEX prefers) in 2016 and 2020. The Guide is set out in Appendix 27 to the Main Board Listing Rules and Appendix 20 to the GEM Listing Rules. We shall not attempt to analyse the complete Guide. The following are some key points, again with attention mainly to the "E" of ESG.

Guide components

The Guide requires companies to submit an annual ESG Report ("Report"), either as part of the annual financial report or as a separate document filled within 3 months of the annual report.

There are 2 categories of ESG disclosures which must be addressed in a Report.

1) Mandatory disclosures

These are set out in Part B of Appendix 27. They are grouped under the headings; Governance Practice, Reporting Principles and Reporting Boundary. Essentially, they are statements of intention or policy by the directors, such as:-

- (a) disclosure of the board's oversight of ESG issues;
- (b) explanation of the board's management strategy for addressing ESG issues; and
- (c) explanation of how the board assesses the company's progress in meeting its ESG goals.

The mandatory reporting principles are:-

- (i) materiality: the process and criteria by which material ESG factors are selected;
- (ii) quantitative: information concerning the methodologies used to analyse and report on the selected ESG factors; and
- (iii) consistency: disclosure of any changes in the methodologies used (compared with previous Reports).

The Reporting Boundary is a description of the "*reporting procedures of the ESG report*".

2) Comply or explain provisions

The more detailed, operative part of the Guide is Part C, Appendix 27, which sets out 3 categories of required minimum level disclosures concerning the environment: -

- (a) disclosures of details of policies and data related to the company's discharge of greenhouse gases, hazardous, waste etc.;
- (b) disclosures of policies concerning the efficient use of natural resources, such as "energy", water and other raw materials".
- (c) description of policies for minimising the company's "significant impact on the environment and natural resources", and action taken to implement the policies.

In its discussion paper (27 December 2019) released in the consultation process for the proposed 2020 Guide amendment, HKEX advises that material ESG reporting requirements must be complied with and non-compliance must be explained. It is important to note that HKEX states: "*There is no "one size-fits-all" framework for ESG reporting and materiality is important in assessing what is relevant to a business*". So, in the ESG context, the direction and scope of corporations' environmental responsibilities are limited to how environmental factors might affect their "*business*" (and profitability) rather than a robust attempt by HKEX to encourage an approach of corporate broad environmental (and social) care and responsibility. This conforms with the lack of real legal requirements for businesses to promote improved environmental practices in the community at large.

This business - centric approach is also reflected in HKEX' *Guidance on Climate Disclosures* (November, 2021), which states, for example: "*After selecting the appropriate scenarios, companies should identify physical and transitional work parameters that matter to the business operations.*" Whilst the business focus is understandable, given the commercial nature of users of the Guide, it undermines HKEX' attempt to portray the environmental component of ESG reporting as an assumption of corporate responsibility for improving or protecting the environment to achieve "sustainability" for the greater community benefit. Nevertheless, implementation of any environmentally beneficial practices by the corporate world, no matter what the motivation, is to be welcomed.

The Guide contains 12 specific topics a company must consider and address on a *comply or explain* basis under the *Environmental and Social Subject Areas*.

There are two distinct requirements for this part of an ESG report:

- (a) general disclosure, such as the company's policies and compliance with any applicable laws; and
- (b) specific description of relevant KPIS (key performance indicators), targets set and steps taken in relation to specific (environmental) matters e.g. emissions and waste controls.

Climate change components

The environmental section of the Guide is heavily focused on climate-change. In its *2022 Analysis of ESG Practice Disclosure*, HKEX notes that the 2020 amended Guide included "*consideration and integration of significant climate change such as on recommended by the Task Force on Climate Related Financial Disclosures (TCFD).*" Further, HKEX intends making "*TCFD-aligned climate - related disclosures mandatory across relevant sectors no later than 2025*".

HKEX states that a company is now required to: -

- (a) consider significant climate – related issues which have impacted or may impact the company and how the company might mitigate such impacts;
- (b) develop targets and plans in respect of reduction of emissions and waste and improving efficiencies in energy and water use; and
- (c) disclose direct and indirect (e.g., downstream activities, e.g., transportation) emissions of greenhouse gases.

More positively, HKEX has urged listed companies and IPO applicants to “*consider employing (and providing disclosures on) infrastructure and/or technology to reduce carbon emissions and control climate-related risks*” to align with the government’s objective of attaining carbon neutrality by 2050, as per the *Climate Action Plan 2050* (October 2021): *Analysis of IPO Applicants’ Corporate Governance and ESG Practice Disclosures in 2020/2021*.

Compliance

Companies which do not comply with the Guide are liable to be disciplined by the disciplinary committee of the Listing Review Committee under Rule 2A (9) & (10) of the Listing Rules (Main Board). Sanctions which may be imposed on a defaulting company include:-

- (a) cancellation of its exchange listing;
- (b) suspension of trading of the company’s shares; or
- (c) denial of the facilities of the market under Chapter 2 the Main Board Listing Rules and Chapter 3 of the GEM Listing Rules.

The Committee also has power to impose penalties on persons involved in the company’s breach, such as directors, substantial share holders and even external advisors.

Penalties are essentially of the “name and shame” variety; e.g. declaration that the person is not fit to be a director, or denial of HKEX’ facilities to advisors. Nevertheless, such public admonishment could be accepted to have real practical consequences for personal defaulters.

As far as we are aware, no disciplinary proceedings for breach of the Guide have been taken place to date.

In its review of Guide compliance for 2021-30/3/2022, HKEX reported due compliance with environmental aspects of the Guide as follows:

- Emissions disclosures – 93.3%
- Use of resource – 96.8%
- The environment and natural resources – 99%
- Climate change – 93.4%

Conclusion

Whilst introduction of ESG requirements is a most welcome step in the right direction if Hong Kong is to achieve higher levels of environmental stewardship, it is a largely symbolic one, unless companies actually walk the environmental talk and not just talk the talk. There is, unfortunately, much room for corporate chest-beating “greenwashing”, which we shall look at in the next edition of the UPELQ.

TOWN PLANNING

New residential project in Quarry Bay

Henderson Land Limited and Swire Properties Limited have moved one step closer to redeveloping a site in Hong Kong’s Quarry Bay. A joint venture between the two property heavyweights recently gained approval for an auction. The Lands Tribunal approved an application by the joint venture to force a compulsory sale of the remaining space in 16 to 94 Pan Hoi Street and 983 to 987A King’s Road. The reserve price values the aging buildings at HK\$6.3 billion.

Swire and Henderson have won control of the site under Hong Kong’s Compulsory Sale for Redevelopment rules which allows developers which acquire more than 90 per cent of the total units in a building more than 50 years old to seek permission to force an auction of the remaining units in the building.

At the reserve price set by the Lands Tribunal, the remaining units in the building are valued at approximately HK\$12,951 per square foot.

Swire has now been a player in Hong Kong’s three largest compulsory sale approvals to date.

Earlier this year Swire suspended a scheduled compulsory sale for the Wah Ha Factory Building on Shipyard Lane in Quarry Bay, which valued that property at HK\$5.13 billion. The next most valuable compulsory sale was Swire’s acquisition of the Zung Fu Industrial Building, Quarry Bay, at a HK\$5 billion valuation in 2022. Swire is planning to consolidate the two sites for the development of a new commercial tower.

Swire and Henderson are also expected to develop a set of two residential towers of 28 storeys each above a 3-storey podium accommodating commercial space and a clubhouse in Quarry Bay. According to the plans approved in May last year, about 368,300 square feet of the project will be dedicated to residential space, with the commercial area limited to about 72,400 square feet.

According to the annual reports of Swire and Henderson, they are splitting the project 50-50. Swire also applied last year for a compulsory sale of 9-39 Hoi Wan Street and 33-41 Tong Chong Street in Quarry Bay. This site is in the heart of its Taikoo Place hub between the company’s East Residences and One Taikoo Place.

Henderson and Swire have also been working together to acquire the Tor Po Mansion, a building at 2A Finnie Street in Quarry Bay. As the two companies work to increase their footprints in the district, analysts view the Pan Hoi Street or the King’s Road as part of that ongoing expansion.

DIGEST OF LEGISLATION

Consultation on proposed amendments to Noise Control Ordinance

The Environment Protection Department (EPD) has released a consultation paper on the proposed amendments to the *Noise Control Ordinance* (NCO) on 9 August 2023, including: (i) strengthening control over the noise from loudspeakers by shops and hawkers for peddling; (ii) introduction of a fixed penalty system; (iii) adjustment of maximum fines; empowering the Authority to obtain information to enhance enforcement efficiency and deterrent effects; and (iv) relaxation of restrictions on noise from festive celebration activities so that such activities may suitably be carried out after 11pm. The consultation will last for two months until October 8.

The government said that the public has been increasingly concerned about issues arising from noise from domestic premises, and street cries from shops. The government proposed in the 2022 Policy Address to impose controls over the use of loudspeakers for street cries and to introduce a fixed penalty system to control effectively and remediate associated noise nuisance. To enhance enforcement efficiency, the government proposes to add relevant provisions to the NCO to empower the authority to request case-related information from any person, by serving a written notice. The fixed penalty system will also be applicable to other offences of noise emitted from domestic premises and public places, in order to deal with relevant noise issues more effectively.

Conversely, it is noted that the public generally accepts noise levels generated by festive celebration activities (including music, singing and instrument performing activities). Therefore, the proposed amendments also include relaxation of restrictions on noise limits for public entertainment activities at specified festivals.

[News.gov.hk, 09/08/2023]

WEST KOWLOON CULTURAL DISTRICT

The 114th Board Meeting of the West Kowloon Cultural District Authority

The Board of the West Kowloon Cultural District Authority (“WKCD”) held its 114th meeting on 20 June 2023.

WKCD welcomed the first Labour Day -- Golden Week period after the full resumption of normal travel between Hong Kong and the Mainland. During the five-day holiday from 29 April to 3 May, M+ and the Hong Kong Palace Museum (“HKPM”) received more than 100,000 visitors in total, breaking each of the museum’s single-day visitation record on 30 April. Since early this year, the two museums have been receiving a steadily increasing number of tourists from the Mainland and abroad. The percentage of these visitors has risen from single digit at the beginning of the year to 30% in March 2023, and then to nearly 55% in May. The rising trend is a testament that the WKCD is a popular cultural destination for tourists.

M+ offered free access to all its exhibitions and HKPM (Galleries 1 to 7) opened its seven thematic exhibitions to the public for free on 1 July, to celebrate the 26th Anniversary of the Establishment of the Hong Kong Special Administrative Region.

An exhibition jointly presented by M+ and the Hong Kong Arts Development Council, *Angela Su proudly presents: Lauren O – The Greatest Levitator in the Polyhedric Cosmos of Time*, is at the Cissy Pui-Lai Pao and Shinichiro Watari Galleries until 8 October 2023. This site-responsive showcase by Angela Su, the local artist representing Hong Kong at the 59th International Art Exhibition of La Biennale di Venezia, is the first response exhibition of Hong Kong’s presentation at the Venice Biennale staged at M+ since its opening.

The second special exhibition of M+, *Madame Song: Pioneering Art and Fashion in China*, has been showing since 29 July 2023 at the West Gallery of M+. The exhibition features more than 320 objects to narrate Song Huai-Kuei’s fascinating biography and her underestimated influence on transforming China through reform and opening-up into a cosmopolitan and culturally diverse society today.

Application for the WKCD Street Performance Scheme, which has been temporarily suspended for more than two and a half years owing to the pandemic, has reopened. A Review Panel, comprising the WKCD’s representatives, will be formed to select quality and diverse performances by individuals or performing groups. Selected street performers will be issued a “Street Performance Permit”, which will be valid for six months. They may reserve to perform at a designated performance area in the WKCD during a designated timeslot at weekends and public holidays. The WKCD looks forward to further enriching the performing arts programmes at the WKCD and injecting more colours and vitality into the WKCD.

In addition, HKPM signed a letter of intent to collaborate with Sanxingdui Museum in Guanghan, Jinsha Site Museum in Chengdu, Sichuan Provincial Institute of Cultural Relics and Archaeology, and Chengdu Cultural Relics and Archaeology Research Institute to jointly curate a special exhibition: *Gazing at Sanxingdui: New Archaeological Discoveries in Sichuan* at the HKPM during the 2023 National Day holidays. The exhibition aims to advance cultural exchange between Hong Kong and Sichuan Province. *Gazing at Sanxingdui* focuses on new archaeological discoveries at Sanxingdui in Sichuan Province, featuring 120 pieces of precious bronze, jade, gold, and pottery dated to 2,600–3,300 years ago. Nearly half of the exhibits were unearthed in the most recent excavations at the Sanxingdui archaeological site between 2020 and 2022, and the majority of them will be exhibited outside Sichuan for the first time.

[West Kowloon Cultural District Authority Press Release, 20/06/2023]

Recycling plant suspends its operation

In January 2022, the city's largest and only recycling plant capable of turning PET1 bottles into food-grade plastic commenced its operations. However, New Life Plastics has now suspended operations after only 16 months in business.

The reason is the plastic bottle return rate is extremely low. The plant said it was operating only at a 30 per cent capacity. The plant can process 60 tonnes of plastic bottles a day, or approximately 1,800 tonnes a month, but it has received an average of only 300 tonnes from January to March. In April, the figure decreased to 30 tonnes as the facility gradually stopped its operations early that month.

The Environmental Protection Department said it does not publish figures for the return rate of plastic bottles in Hong Kong. However, according to the department's 2021 report, only 5.7 per cent of all plastics were recovered from municipal solid waste for recycling.

Currently, the public can take their used water bottles to the government's "reverse vending machines", where users can get a HK\$0.10 rebate for each container they deposit. However, the scheme has not been widely accepted or used.

A survey commissioned by five green groups in 2021 found more than 80 per cent of people would return used bottles for recycling if there were a deposit scheme whereby consumers paid an extra HK\$1 when they bought a bottle of water and received HK\$1 back when they returned it.

New Life Plastics suggested that setting an aggressive bottle returning target and a penalty for beverage producers or polluters who fail to meet the target could increase the rate of return. The current target is a 40 per cent rate of return in the first year of implementation and 75 per cent in the fifth year. However, New Life Plastics' unfortunate experience is a timely wake-up call for the government to rethink its recycling policies.

[HKFP, 14/07/2023]

Heat stress impacts construction sites

A survey conducted by Greenpeace found that levels of heat stress at construction sites in various districts across Hong Kong vary, making the current heatstroke warning system inefficient in responding to heat risks faced by workers.

For a month Greenpeace daily sent 14 researchers to measure heat stress data outside seven construction sites located in Hong Kong Island, Kowloon, the New Territories and Islands District. Researchers measured the WetBulb Globe Temperature (WBGT) data, which reveals heat stress in direct sunlight, taking such measurements as temperature, wind speed, and sun angle.

The researchers collected data on three very hot days, and every day they took measurements for 2.5 hours from noon. The survey reveals that the biggest difference between the sites' WBGT values was eight, representing a big difference between the heat stress levels at each site.

A three-tier warning system which was designed to help protect Hong Kong workers from heatstroke went into effect on 15 May 2023. The system consists of amber, red and black warnings, indicating three levels of heat stress, based on the Hong Kong Heat Index.

However, relying on Hong Kong Heat Index alone to issue heatstroke prevention warnings is not a sufficient representation of heat conditions in different parts of the city.

Apart from the above, Greenpeace also said that the Hong Kong Heat Index is not specific to those working outdoors who are directly exposed to the sun. The Hong Kong Heat Index is not designed for their actual working environment, and it is not an appropriate measure for their heat stress. Therefore, the Labour Department should directly adopt the WBGT, which is commonly used world-wide to measure heat stress for construction workers.

Greenpeace urged the Labour Department to adopt the WBGT to measure heat stress, and also to set up monitoring spots at different construction sites.

[HKFP, 11/08/2023]

Proposed amendments to the Noise Control Ordinance

Hong Kong's environmental authorities began a public consultation on proposed amendments to the *Noise Control Ordinance* aimed at preventing excessive noise emanating from shops and hawkers' loudspeakers.

The Environmental Protection Department also proposed increasing penalties for noise from domestic premises, including sounds from musical instruments and animals.

Currently, householders convicted of causing noise annoyance after 11pm and before 7am on weekdays or any time on a general holiday face a fine of HK\$10,000. The penalty applies to noises from such sources as musical instruments, animals, birds, loudspeakers, trades and air conditioners. Authorities have proposed introducing a fixed penalty ticket. Offenders may also face a maximum fine of HK\$50,000 upon conviction for repeat violations.

The proposed amendment mostly addresses noise caused by street cries and peddling from shops and hawkers. The amendments provide that making noises in public spaces that others may find a "source of annoyance" is punishable by a maximum fine of HK\$10,000.

The consultation paper states that the department may prosecute a person after collecting sufficient evidence. In the case of a repeat offender, the department may prosecute a company's director, who is liable to a maximum penalty of HK\$10,000 fine.

The department added that four black spots are Tsuen Wan, Sham Shui Po, Yuen Long, and Mong Kok. It also suggested increasing the daily fixed penalty for noise from a construction site or commercial and industrial premises from HK\$20,000 to HK\$35,000.

The maximum fine for offences including noise from a construction site or commercial and industrial premises could be increased to HK\$180,000, up from HK\$100,000, with subsequent violations incurring a fine of HK\$360,000, up from HK\$200,000.

Despite these proposed new noise restrictions, the EPD has suggested a relaxation of noise controls for 10 festivals and public holidays, allowing festive celebration activities, including musical performances and singing, to generate noise not exceeding the background noise level by 10 decibels between 11pm and 1am.

The 10 days are: Lunar New Year's Eve; Lunar New Year's Day; July 1; the Mid-Autumn Festival; National Day; Halloween; Christmas Eve; Christmas Day; New Year's Eve; and New Year's Day.

[SCMP, 16/08/2023]

HONG KONG

Climate change blamed for record rainstorm

Climate change has been identified as the cause of the unprecedented rainstorm in Hong Kong in September this year. Experts have warned that more extreme weather events are on the horizon. They emphasise the need for improved disaster prevention and management in the territory.

Lam Chiu-ying, a former director of the Hong Kong Observatory, stated that the rainstorm would have been nearly impossible without climate change. The Observatory recorded the highest hourly rainfall in its history, measuring 158.1mm (6.2 inches) between 11pm and midnight on 7 September 2023. The total rainfall reached over 600mm, equivalent to a quarter of the city's annual level.

The storm triggered a black rainstorm warning for more than 16 hours, causing widespread disruption. Cars were stranded on flooded roads, railway stations were submerged, and numerous shops had to close due to the damage.

Addressing criticism of the government's lack of preparedness, Chief Secretary Eric Chan Kwok-ki acknowledged the difficulty in predicting rainstorms compared to typhoons. Meteorologists explained that rainstorms develop quickly and are a localised extreme weather event, making them challenging to forecast days in advance, unlike typhoons that can be observed from a distance.

Experts reiterated the link between climate change and the torrential rain, stressing the urgency of improving disaster prevention and management for future extreme weather events.

While some engineers highlighted the drainage system's capability to handle heavy rainfall, others argued that the flooding was a result of the exceptionally large volume of rain exceeding the drainage capacity in certain areas. They called for earlier issuance of warnings and preparatory measures, such as evacuation and the installation of water-stop boards.

The experts also discussed the need for the government to balance economic risks and underground space when considering upgrades to drainage capacity to handle once-in-500-years floods. Short-term measures, such as constructing drainage tunnels through mountains, were proposed to enhance stormwater storage capacity.

In conclusion, experts highlighted the impact of climate change, the challenges in forecasting rainstorms, and the urgency of improving disaster preparedness to tackle future extreme weather events in Hong Kong.

[SCMP, 09/09/2023]

Latest beach water quality garden

On 15 September 2023, the Environmental Protection Department (EPD) released the latest grading of water quality for 39 gazette beaches (see Note 1) and one non-gazetted beach (see Note 2).

Twenty-one beaches were rated as Good (Grade 1), 17 as Fair (Grade 2), one as Poor (Grade 3) and one as Very Poor (Grade 4).

Grade 1 beaches are:

Cheung Chau Tung Wan Beach*	Repulse Bay Beach*
Chung Hom Kok Beach	Shek O Beach *
Clear Water Bay Second Beach*	South Bay Beach*
Deep Water Bay Beach*	St Stephen's Beach*
Hap Mun Bay Beach*	Stanley Main Beach*

Kiu Tsui Beach

Tai Po Ling Mei Beach*

Kwun Yam Beach

Tong Fuk Beach

Lo So Shing Beach

Trio Beach*

Middle Bay Beach*

Turtle Cover Beach

Pui O Beach*

Upper Cheung Sha Beach

Grade 2 beaches are:

Angler's Beach*

Golden Beach*

Approach Beach

Hoi Mei Wan Beach

Big Wave Bay Beach*

Kadoorie Beach*

Butterfly Beach*

Lido Beach*

Cafeteria New Beach*

Lower Cheung Sha Beach

Cafeteria Old Beach

Silver Mine Bay Beach*

Casam Beach*

Silverstrand Beach*

Clear Water Bay First Beach*

Ting Kau Beach*

Discovery Bay

Grade 3 beaches are:

Ma Wan Tung Wan Beach*

Grade 4 beach is:

Castle Peak Beach

Compared with the grading released last week, Clear Water Bay First Beach and Silver strand Beach have been changed from Grade 1 to Grade 2, and Castle Peak Beach from Grade 3 to Grade 4 (probably due to excessive rainfall experienced in the assessment period).

Under the present grading system, beaches are classified into four grades, namely Good (Grade 1), Fair (Grade 2), Poor (Grade 3) and Very Poor (Grade 4), according to the level of E. coli in the water. Grades are calculated on the basis of the geometric mean of the E. coli counts on the five most recent sampling occasions.

Whilst the ratings represent the general water quality at the beaches, members of the public are reminded that water quality could be temporarily affected during and after periods of heavy rain. Bathers should avoid swimming at beaches for up to three days after a storm or heavy rainfall.

A summary of beach grades is published weekly before the weekend. The latest beach grades based on the most current data may be obtained from the EPD's website on Beach Water Quality (www.epd.gov.hk/epd/beach) or the beach hotline, 2511 6666.

In line with the vision to develop Hong Kong into a smart city, the EPD launched the Beach Water Quality Forecast System on 15 August 2023 to provide daily water quality forecasts for all gazetted beaches in Hong Kong that are open for swimming, to supplement the existing beach water quality monitoring programme and further enhance services to the public (see Note 3). From now on, members of the public can obtain the latest daily water quality forecast information for all beaches through the Beach Water Quality Forecast mobile application (available for download from: <http://www.epd.gov.hk/en/BWQApp>) or the dedicated beach water quality forecast page (www.epd.gov.hk/en/BWQForecast) on the EPD's beach thematic website.

Note 1: Lifeguard services are provided by the Leisure and Cultural Services Department at 26 gazetted beaches.

Note 2: This refers to the non-gazetted beach in Discovery Bay which has no lifeguard service.

Note 3: The EPD launched the Beach Water Quality Forecast System on 15 August 2023.

[EPD Press Release, 15/09/2023]

ADVISORY COUNCIL ON THE ENVIRONMENT (ACE)

In the ACE 258th Meeting, on 3 May 2023, members of the ACE reviewed and commented on the additional information prepared by the Civil Engineering and Development Department ("CEDD") regarding the Partial Development of Fanling Golf Course Site (the "Project"). The Project first came before the ACE in the 254th Meeting, in August 2022, during which members were not able to reach a consensus to recommend the Director of Environmental Protection (the "Director") to approve the EIA report with conditions; instead, sixteen out of the eighteen members

present voted to request that more information be provided by CEDD, which was why another meeting was convened to discuss the Project in May 2023. Summary of the ACE 254th Meeting can be found in the UPELQ published in February 2023.

Background: the project

The Fanling Golf Course (“FGC”) site consists of three distinct 18-hole golf courses. The Project involves redeveloping an area of 32 hectares, mainly comprising the oldest course built in 1911, into 12,000 public housing units together with supporting infrastructure, government, institution or community facilities and open space. The Project has been controversial since its proposal in 2018, as the area to be developed is not only part of the oldest 18-hole course in Greater China but a valuable natural habitat covered with thick tree clusters, with mature trees and ancestral graves scattered therewithin.

The ACE 258th Meeting: eight pieces of additional information

The focus of this ACE 258th Meeting was *ACE Paper 8/2023*, which contained additional information concerning eight key topics prepared for the EIA report on “Technical Study on Partial Development of Fanling Golf Course Site – Feasibility Study”.

Additional bird survey

An additional bird survey was conducted to supplement the data for early morning observations. According to Vincent Lai (Managing Director of Ecosystems Limited) and Terence Tsang (Assistant Director of Environmental Protection Department), the additional survey showed a finding (54 species) that was similar to the finding of the survey of the EIA report (56 species), thereby reaffirming that the EIA report survey was representative.

A member pointed out that Hong Kong Golf Club (“HKGC”), the private golf club running the FGC courses, had conducted additional surveys during the same time period as CEDD but had found significantly more species. Two other members expressed concern about the substantial differences. In response to the members’ concern, Emeric Wan (Executive Director of WSP (Asia) Limited) explained that the different findings were natural given the differences in the purposes and methodologies, as the data of HKGC was accumulated from surveys conducted over the years with longer durations, beyond the scope of the Project and covering the entire golf course of 172 hectares.

Noting the significant differences between the findings of CEDD and HKGC, four members suggested that the government should compare and clearly illustrate the causes of the deviations to alleviate the public’s concern.

Additional moth survey

Terence Tsang confirmed that the additional moth survey had reaffirmed that the relevant findings in the EIA report were representative. The ACE had no further comment on this piece of information.

Details of bat survey

The ACE was already generally satisfied with the bat survey findings during the 254th Meeting and only requested for some details of the bat survey. The ACE noted the details provided and had no further comment in this respect.

Tree compensation plan

In respect of the previous comment by the ACE to raise the tree compensation ratio to 1:1.5, the Director cautioned the members against interfering with the purview of the Development Bureau and the implication on other development projects in the future. Terence Tsang also suggested that it would be sufficient to increase the establishment period of the compensated trees, namely the time during which establishment operations are carried out, to three years whilst maintaining the standard ratio of 1:1.

Two members stressed that the priority should be retaining the existing trees as far as possible instead of compensating more trees and that the misconception that tree removal would be acceptable as long as the developers could provide tree compensation should be avoided.

Detailed layout plan

This was the most fiercely debated area during the meeting. In the 254th Meeting, the ACE had suggested that CEDD revise the layout plan to illustrate the location of the trees to be retained as well as the details of the proposed housing blocks with a view to minimising their adverse ecological impact and preserving the 0.39 hectares of woodland (the “Woodland”). Six members were disappointed that CEDD had neither revised the layout plan nor adjusted the housing blocks to preserve the Woodland.

Two members elaborated that most of the trees of the Woodland were native species decades old and had significant importance in terms of carbon absorption ability and ecological values for providing habitats to wild life incomparable with compensating trees. On the other hand, Gavin Wong (Chief Engineer of CEDD), explained that the ecological value of the Woodland was low to medium according to the 11 criteria set out in the Technical Memorandum on the EIA Process, and stressing the importance of the infrastructure to be established on this piece of land.

Not convinced by CEDD, a member questioned the need to establish a special school within the Project at the expense of removing the Woodland and suggested exploring alternatives such as accommodating the special school in closed down school premises, whilst two other members added that it appeared feasible to place some housing blocks in the north of the Project with suitable design and more trees could then be preserved.

Moreover, HKGC claimed in its letter that 460 trees were missing in CEDD's findings, but no explanation was offered by the government in this regard, according to the minutes of the meeting.

Noting members' comments during the discussion, the Director suggested a solution could be to impose a condition to revise the detailed layout plan on CEDD to minimise the adverse ecological impact and to retain the Woodland.

Analysis on hydrological impact

CEDD's analysis revealed no adverse impact on the hydrology of the site of the Project; members had no further comment on this matter.

Handling of the grave

Two members said that priority should be given to retaining the existing grave by adjusting the design of the housing layout plan instead of relocating it elsewhere. On this point, Gavin Wong said that the retention of the grave would give rise to potential conflicts with the proposed housing development and that CEDD had already been in contact with the affected descendant. The ACE Chairman therefore suggested deferring the matter to CEDD and the descendant, as it would be more appropriate to honour the descendant's views.

Conclusion of the Meeting and the latest development

In respect of two out of the eight key topics discussed in the 258th ACE Meeting, namely (1) a detailed layout plan of the proposed housing development, and (2) information on how the grave situated in the redevelopment area should be handled, members of the ACE were of the view that the additional information submitted by CEDD did not address the concern of the ACE. The ACE held the view that in case the Director decides to approve the EIA report, he should consider imposing a condition requiring the project proponent to amend the detailed housing development layout plan to ensure preservation of the Woodland.

Following the 258th ACE Meeting, the Director approved the EIA report of the Project with conditions, requiring CEDD to submit the following documents to the Director for approval:-

- (i) a revised detailed layout plan for housing development to preserve the Woodland as far as practicable; and
- (ii) the detailed landscape and visual plan to minimise the impact on tree preservation, landscape and visual aspects caused by the proposed housing development.

Although the government resumed possession of the site of the Project on 1 September 2023 and opened part of the site to the public as a park on 4 September 2023, HKGC successfully obtained at the Court of First Instance an interim stay of the decision of the EIA report for the Project on 24 August 2023, pending the determination of the substantive application for judicial review fixed to be heard in May 2024 (the "Interim Stay").

The Interim Stay allowed CEDD to continue to conduct the review of housing density and layout to fulfil the approval conditions of the EIA report, on the condition that the review will not involve any construction work whatsoever at the site and will not result in any environmental damage.

CLIMATE CHANGE

Carbon targets tied to loan risk in Australia

Farmers who are not working towards net-zero by 2050 carbon targets risk losing access to loans and finance, as Australia's big banks increasingly tie lending to emissions reduction.

An Australian Banking Association spokeswoman confirmed that information concerning the "physical and transition risks of agricultural customers" was being included in a lending shift by banks when making loan decisions.

"It is prudent business practice for banks and businesses, including agricultural business, to be aware of the risks of their business and to put in place plans to mitigate or adapt." she said.

Australia's "big four" banks are signatories to the United Nations Net- Zero Banking Alliance that represents 40 percent of global banking assets. Signatories have committed to reaching net-zero financed emissions by 2050.

University of Melbourne Primary Industries Climate Challenges Centre director, Richard Eckard, has been contracted by Rabobank, National Australia Bank, ANZ Rural Bank and the Commonwealth bank to train their customers in carbon farming techniques.

The roughly 5000 farmers who will participate must audit their on-farm emissions as part of the course, with that data then being used by banks to calculate exposure risks.

Professor Eckard said all banks were now aiming for "no exposure" to greenhouse gas emissions in their lending portfolios. *"I see banks sitting there struggling to find a way forward as well as farmers, they are as nervous as farmers are about net-zero. It is a difficult road, but there is the trajectory we are on."* he said. *"The next big tranche of capital coming out of Europe will be tied to environmental performance."* *"So the banks know, before they can spend it in loans, they have to have some metrics up their sleeve as to why they are investing in farms with high greenhouse gas profiles."*

He warned that farmers who demonstrate robust and credible sustainability plans will be seen as a less risky investment for financiers than those who cannot.

[*The Weekly Times*, 09/08/2023]

Africa proposes global carbon taxes

African leaders have presented a collective proposal for a global carbon tax regime, the Nairobi Declaration, concluding the Africa Climate Summit in Kenya's capital. Released recently, the declaration calls on major polluters to allocate more resources to assist less affluent nations in dealing with global warming and climate change. African heads of state intend to use this declaration as the foundation for their negotiating stance at the COP28 summit, scheduled for November 2023.

The Africa Climate Summit emphasised discussions on mobilising financial resources to adapt to increasingly extreme weather conditions, conserve natural resources and develop renewable energy. Despite being one of the most vulnerable continents to climate change, Africa reportedly receives only about 12% of the approximately US\$300 billion in annual financing it requires to address these challenges.

The Nairobi Declaration specifically urges global leaders to support the proposal for a worldwide carbon taxation system, encompassing a carbon tax on fossil fuel trade, maritime transport and aviation. This proposal may also be complemented by a global financial transaction tax. The aim is to secure substantial financing for climate-related investments, while minimising the influence of geopolitical and domestic political pressures against tax increases.

Human rights activist, Graça Machel, welcomed the declaration, emphasising Africa's crucial role in addressing climate change. She highlighted that Africa is not seeking aid but offers investment opportunities and solutions.

Whilst a few countries currently impose carbon taxes, the idea of a global carbon tax regime has faced challenges in gaining widespread support. Some have raised concerns about the effectiveness of such measures. Kenya's President William Ruto referred to past European Union proposals for a financial transaction tax, which encountered obstacles in becoming law due to the need for unanimous approval from the European Council.

Environmental organisations have expressed support for the call for a global carbon tax but stressed the importance of not relying solely on measures like carbon credits, which some view as inadequate in holding polluters accountable.

During the summit, international governments, development banks, private investors, and philanthropists pledged a combined US\$23 billion for green projects, including significant contributions to a major carbon markets initiative. However, African leaders acknowledged that these investments only scratch the surface of the continent's financial requirements, stressing the need for more systemic changes.

Critics have argued that the summit did not give enough attention to helping Africans adapt to extreme weather conditions. Additionally, protests occurred outside the event, with demonstrators expressing concerns about Africa's plan to sell carbon credits to foreign countries. Several foreign entities have committed to purchasing carbon credits from the Africa Carbon Markets Initiative (ACMI), further highlighting the complexities of climate finance and carbon trading.

[*BBC News*, 08/09/2023]

Opposition to proposal to increase private jet flights

UK environmental campaigners have strongly criticised Farnborough Airport's proposal to increase its flights limit by 40%, describing it as detrimental to the Earth's climate. The airport, primarily serving private jets, currently handles up to 50,000 flights annually and aims to raise that number to 70,000 by 2040 to meet increasing demand.

Aviation campaign group, Safe Landing, has argued that expanding a facility catering to "polluting private jets for a handful of wealthy super-emitters" should be reconsidered. Rushmoor Borough Council, which previously declared a climate emergency, anticipates receiving the airport's planning application later in the year.

Safe Landing and Alton Climate Action Network advocate for a shift towards more sustainable, low-carbon aviation, focusing on the use of cleaner fuels and larger aircraft to reduce emissions. Private jets have been singled out as significant contributors to greenhouse gas emissions. They have an average of only 2.5 passengers per plane in flights from Farnborough Airport and 40% of flights operate without passengers.

Councillor Jules Crossley, representing Friends of the Earth, called for a halt to an expansion of flights until technology advances, suggesting that noiseless and emission-free aircraft could become available in the next decade or so.

Extinction Rebellion plans to attend the airport's public consultation events in September to protest against private flights and raise concerns about climate-related disasters, such as flooding, droughts, crop failures, and food shortages.

Farnborough Airport has stated its commitment to balancing economic benefits with environmental impacts and will provide a more detailed response during its public consultation, scheduled to commence on 20 September 2023.

[*BBC News*, 13/09/2023]

Oceans Court asked for advisory opinion

The Commission of Small Island States on Climate Change and International Law (COSIS) has asked the International Tribunal on the Law of the Sea --often referred to as the "Oceans Court" -- in Hamburg, Germany, to issue an "advisory opinion" to clearly outline legally binding obligations for nations which pollute the marine environment.

Small Island Nations, such as Tuvalu in the South Pacific Ocean, face the prospect of disappearing altogether within twenty or thirty years due to rising sea levels caused by global warming, which is exacerbated by extensive marine pollution.

In supporting the application, the Prime Minister of Tuvalu informed the Court that his country, which comprises nine low lying coral atolls, is on average just, 1.9 metres above sea level. A recent University of Auckland study found that the seas surrounding Tuvalu rose by nearly 4 millimetres per year between 1971 and 2014, approximately twice the global average for that period.

Most countries have ratified the 1982 Convention on the Law of the Sea, which includes an obligation for nations to protect the environmental health of oceans, but makes no mention of global warming greenhouse gas emissions.

The COSIS application is the first time the Oceans Court has been asked to issue an "advisory opinion", or to consider "trans-boundary pollution" of the marine environment. Whilst the Court's decision will be in the form of advisory directions rather than compellable orders, it is expected to crystallise states' legal obligations in respect to the Law of the Sea and climate change, according to Professor Donald Rothwell of the Australian National University School of Law.

In a similar case, early in 2023 Vanuatu and Australia applied to the International Court of Justice (sometimes referred to as the "World Court") in the Hague, The Netherlands, for a binding ruling on states' obligations in relation to global warming.

The Oceans Court's decision is expected in early 2024, and World Court's decision at a later date.

[ABC news, 13/09/2023]

REGIONAL & INTERNATIONAL

Australia

Plastic waste war

Agribusiness are ramping up efforts to reduce and recycle on-farm plastics, as new data show agriculture, forestry sectors million tonnes waste in 2021.

In good news, 9.5 million tonnes of the total was organic waste, 70 percent of which was used beneficially on farm, according to research commissioned by AgriFutures and compiled by agriculture consultancy RMCG.

However, 99,753 tonnes of plastic waste was generated in 2021. The horticulture sector was responsible for the majority, at 63,228 tonnes.

RMCG principal, Anne- Maree Boland, said the figures were calculated through a two-year project aiming to quantify the problem and help industry develop strategies to reduce waste, in collaboration with producers.

"The plastic story is we have about 100,000 tonnes per annum that needs to be recycled, but we don't have the infrastructure in place to do so at the moment." Dr Boland said. *"Of plastic waste, about 70 percent is from horticulture, due to the intensive nature of the sector. And the largest ones are protective cropping plastics and irrigation plastics. Netting is becoming a larger contributor to waste as well."*

Global nut-farming giant Stahmann Webster--which grows pecans, macadamias, walnuts and almonds across Queensland, NSW, Victoria and Tasmania-- has been working with irrigation and precision agriculture company Netafim for the past two years to recycle plastic irrigation tape used in its orchards. Netafim director of services Peter Durand said the Recoil program was established 15 years ago because the company saw a need for an end-of-life solution for its plastic irrigation tape.

The company provides recoiling machines at a nominal hire rate to growers, who then recoil and store the irrigation tape on farm. Netafim then arranges transport of the tape to a recycling centre.

"Probably the most unique part is that we've worked with two recycling processors who are able to process the material to a level that can be used back in our production facility," Mr Durand said. *"So it is a closed loop."*

While growers have to pay to cover transport and machine hire to participate in the programme, Mr Mackinlay said the benefits outweighed the costs.

[The Weekly Times, 26/07/2023]

Combating feral cats

Federal member for the Environments, Tanya Plibersek, has announced the government is declaring war against feral cats, branding them the latest "environmental disaster" to hit the country.

The federal government will take action against feral cats as part of a new national action plan pitched to save thousands of native species on the brink of extinction. Cats kill 6 million animals every night and 2 billion reptiles, birds and mammals in Australia every year, the Minister claimed. *“We are declaring war on feral cats. And today, we are setting up our battle plan to win that war,”* she said.

The government will move to save vulnerable species by rolling out a deadly new tool designed to kill feral cats by spraying them with a toxic gel, and will look at expanding cat-free fenced and island havens.

Ms Plibersek said the “ruthless killers” are responsible for about two thirds of the most recent native animal extinctions seen across Australia. *“We know that people love their domestic cats. While they have to look after them, have to keep them inside; they also have to stop them killing wildlife. Feral cats are an environmental disaster,”* she said.

The government has already invested \$4m to eradicate feral cats from Christmas Island and \$2.2m towards the French Island feral cat eradication program. It will seek to develop new cat-killing technologies, including the Felixer cat grooming trap, which in June 2023 was approved by Federal authorities for use.

The plan follows the release of a UN report on 4 September 2023 which warned of the enormous impact of non-local species on earth’s ecosystems.

More than 3,500 invasive species are “seriously compromising human wellbeing” and causing irreversible damage to native wildlife, according to the new data from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

[NCA newswire, 04/09/2023]

Europe

Climate bill wins majority support

The European parliament has narrowly backed a key biodiversity bill aimed at re-wilding EU land and water habitats, overcoming a backlash by conservative politicians who said the legislation would hurt farmers.

The main political grouping in the legislature, the conservative European People’s Party, had rejected the draft Nature Restoration Law, saying it would hurt farmers, one of its main constituencies.

The issue has become a potent campaign issue ahead of European elections to be held in June next year.

The ballots cast were expected to decide the next European parliament and influence the make -up and priorities of the next European Commission, currently led by Ursula von der Leyen, who is a member of the EPP.

Greta Thunberg, the Swedish climate campaigner, was in attendance at the European parliament in Strasbourg for the vote, and was in favour of the bill.

The legislation was passed with 336 votes in favour, 300 against and 13 abstentions. The *Nature Restoration Act* is a central pillar of the EU’s biodiversity strategy. It is part of the bloc’s Green Deal approach to mitigate climate change and boost environmental protections.

The legislation aims to restore degraded ecosystems by boosting forested areas and marine habitats and increasing connectivity between rivers.

It notably seeks to grow populations of bees, birds and butterflies – especially on farmland, which would also be encouraged to host diverse landscapes, including marsh.

[The Advertiser, 14/07/2023]

Japan

Fukushima’s waste water meets international safety standards

The International Atomic Energy Agency (“IAEA”) has determined that Japan’s proposal to release treated water from the Fukushima Daiichi nuclear power plant into the ocean adheres to IAEA Safety Standards. In a comprehensive report presented to Japanese Prime Minister Fumio Kishida, the IAEA affirmed that the discharged water would have negligible radiological impacts on both human beings and the environment.

The report is the result of a two-year effort by an IAEA Task Force, consisting of experts from the agency and eleven countries specialising in nuclear safety. Their assessment involved reviewing Japan’s plans in accordance with IAEA Safety Standards, which are globally recognised for safeguarding people and the environment.

IAEA Director General: Rafael Mariano Grossi, stated in the report that Japan’s approach to discharging the treated water, as well as their activities related to it, align with relevant international safety standards. He further emphasised that the controlled and gradual release of the treated water, as planned and assessed by Tokyo Electric Power Company (“TEPCO”), would have minimal radiological consequences.

Following Japan’s decision in April 2021 to proceed with the discharge of stored water from the Fukushima Daiichi plant into the sea, Japan sought the IAEA’s detailed review of the plan’s safety aspects. Director General Grossi accepted the request and committed to being actively involved throughout the entire process, spanning pre-discharge, discharge, and post-discharge phases.

Water stored at the Fukushima Daiichi plant has undergone treatment using the Advanced Liquid Processing System (“ALPS”), which effectively removes almost all radioactivity except for tritium. Prior to discharge, Japan will dilute the water to bring tritium levels below regulatory standards.

Similar to other countries, in Japan decisions regarding nuclear safety fall under national jurisdiction, and Japan's Nuclear Regulation Authority (“NRA”) approved the plan in May.

The IAEA's review comprehensively assessed the safety aspects of the water discharge plan across three major components: protection and safety evaluation; regulatory activities and processes; and independent sampling, data verification, and analysis.

Throughout the past two years, the Task Force conducted five review missions to Japan, published six technical reports, and engaged in numerous discussions with the Japanese government and TEPCO, the operator of the Fukushima Daiichi plant. They also conducted several site visits in eastern Japan to review discharge preparations.

IAEA acknowledged the significance of the report but emphasised that the IAEA's work is far from over. IAEA affirmed the agency's commitment to providing transparency to the international community, enabling stakeholders to rely on verified facts and scientific information throughout the process.

The IAEA will continue its safety review during the discharge phase and maintain an on-site presence. Additionally, live online monitoring will be available on the IAEA's website from the discharge facility, ensuring the ongoing application of relevant international safety standards as outlined by the Japanese Government and TEPCO.

[International Atomic Energy Agency, 04/07/2023]

South America

Amazon countries sign a rainforest pact

The eight countries that comprise the Amazon River basin have agreed on several initiatives to curtail deforestation in the world's largest and most important rainforest.

On 8 August 2023 the leaders of eight countries that are home to the Amazon River basin agreed to work together to conserve the world's largest rainforest, at a groundbreaking meeting convened by President Luiz Inácio Lula da Silva of Brazil.

The agreement, called the Belém Declaration, for the Brazilian city where the meeting was held, provides a road map to stave off current rampant deforestation, caused in large part by industrial agriculture and land-grabbing, that has severely damaged the rainforest and has major implications for Earth's climate.

The meeting was also expected to yield a separate, subsequent agreement among other nations with major rainforests — including the Democratic Republic of Congo, the Republic of Congo and Indonesia — to more closely coordinate protecting rainforest ecosystems globally.

The Amazon rainforest is not only a haven of biodiversity but also plays an important role in the fight against climate change because it pulls huge amounts of planet-warming carbon dioxide out of the atmosphere and stores it away. But in the past half-century, approximately 17 percent of the forest has been razed and an even bigger share is severely degraded.

Numerous studies have indicated that further deforestation would be disastrous to tens of thousands of species and would transform the Amazon into a net emitter, rather than absorber, of greenhouse gases. Parts of it have already reached that point.

The summit meeting was part of Mr. Lula's efforts to galvanize a climate-conscious coalition of countries seven months after he unseated Jair Bolsonaro, whose four-year term as president was marked by strident support for Brazil's right to clear vast tracts of the Amazon for its perceived economic benefit.

Mr. Lula made Amazon protection a cornerstone of his election campaign. Deforestation rates have dropped by 42 percent during his tenure, according to preliminary satellite imaging data.

“The Amazon is our passport to a new relationship with the world, a more symmetrical relationship in which our resources will not be exploited for the benefit of a few, but valued and placed at the service of all,” Mr. Lula said in a speech at the meeting.

The agreement sets the groundwork for coordination between the Amazon basin's eight countries – Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela – on law enforcement to combat widespread illegal mining and logging, as well as between banks assigned to pool development funds for conservation and sustainable employment for the region's inhabitants. It also creates an Amazon-specific climate-focused scientific panel. While the agreement projected symbolic unity, it fell short of the biggest ambitions Mr. Lula had hoped to realize. For months before the summit, Mr. Lula pushed the leaders of Bolivia and Venezuela to commit to ending deforestation in their counties by 2030, a pledge the six other Amazon basin countries had already made at the global climate summit in Glasgow in 2021.

Colombia's president, Gustavo Petro, who has adopted the region's most progressive policies on conservation, had in turn pushed Mr. Lula to match his commitment to ban all oil drilling in the forest, but Brazil still has plans for a huge offshore oil project at the mouth of the Amazon River. Neither push succeeded. Eduardo Viola, who studies environmental international affairs at the Fundação Getúlio Vargas in Brazil, said there was no doubt the summit marked the most significant step Amazon countries have made to protect the forest, but it may not be enough. *“The commitments vary a lot, and the implementation capacity outside Brazil is low, or very low.”* he said. The expected future announcement of

further cooperation among other countries that are home to most of the rest of the world's rainforests could include efforts to increase access to financing from wealthier nations that would promote sustainable forest use.

The foundation for that agreement was laid last year at COP27, the United Nations-sponsored global climate summit, which was held in Egypt, Belém, the city where this week's Amazon negotiations have taken place, is set to host COP30 in 2025.

The meeting in Belém provided Mr. Lula and others a venue to harshly criticize wealthy countries, particularly Western ones, for not delivering on a promise made in at the U.N. climate summit in 2009 to provide \$100 billion in climate finance annually to poorer nations. Historically, leftists in the region have pushed for more environmental protections. Mr. Lula and Mr. Petro, whose countries are home to nearly three-quarters of the remaining Amazon rainforest, went beyond that and have made conversation a cornerstone of their presidencies.

Under Mr. Petro, Colombia has sought to position itself as a leader on climate issues, with a push to phase out oil drilling, which would be a first for any of the world's oil-drilling nations.

Despite the projection of unity, analysis said political crises wracking numerous Amazon Basin countries contributed to the limited scope of the Belém Declaration. Under the authoritarian leadership of Nicolás Maduro, Venezuela is enduring a crushing economic meltdown. Peru has had five presidents in the past four years. And Ecuador is holding early elections this month after its president dissolved Congress.

Neither the Venezuelan nor the Ecuadorean president was present at the summit.

[*The New York Times*, 08/08/2023]

United States

Subsidies for advanced vehicles

The Biden administration is providing \$12 billion in grants and loans to car manufacturers and component suppliers to transform their plants for the production of electric and other advanced vehicles, announced Energy Secretary Jennifer Granholm. The initiative is designed to facilitate the transition to electric vehicles ("EVs") without leaving workers or communities behind.

This funding could help lessen the criticism from car manufacturers and the United Auto Workers ("UAW") union regarding proposed environmental regulations intended to encourage the move to EVs. The UAW has expressed concerns that this shift could jeopardise thousands of jobs, particularly in states like Michigan, Ohio, Illinois, and Indiana.

President Joe Biden has said that creating a clean energy economy should be mutually beneficial for car companies and unionised workers. Meanwhile, Secretary Granholm noted that factories built around communities are ideally positioned to benefit from these funding opportunities.

Funding will be made available without specific labour stipulations, but projects demonstrating superior labour conditions will have a higher likelihood of securing it, as reported by an Energy Department official.

The administration also plans to provide \$3.5 billion in funding to domestic battery manufacturers. The \$12 billion package for advanced vehicles comprises \$2 billion in grants from the *Inflation Reduction Act*, enacted by the Democrats the previous year, and \$10 billion in loans from the Energy Department's Loans Program Office.

[*Reuters*, 01/09/2023]

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**Convictions under environmental legislation:
June to August 2023 (September 2023 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:

June 2023

Eighty-two convictions were recorded in June 2023 for breaches of legislation enforced by the Environmental Protection Department.

Twenty-one of the convictions were under the Air Pollution Control Ordinance, 3 were under the Environmental Impact Assessment Ordinance, 20 were under the Noise Control Ordinance, 7 were under the Public Cleansing and Prevention of Nuisances Regulation, 26 were under the Waste Disposal Ordinance and 5 were under the Water Pollution Control Ordinance.

A company was fined \$39,875, which was the heaviest fine in June, for failing to make a billing account application in accordance with the Waste Disposal (Charges for Disposal of Construction Waste) Regulation.

July 2023

Forty convictions were recorded in July 2023 for breaches of legislation enforced by the Environmental Protection Department.

Eight of the convictions were under the Air Pollution Control Ordinance, 6 were under the Noise Control Ordinance, 7 were under the Public Cleansing and Prevention of Nuisances Regulation, 1 was under the Product Eco-responsibility Ordinance, 13 were under the Waste Disposal Ordinance and 5 were under the Water Pollution Control Ordinance.

A company was fined \$25,000, which was the heaviest fine in July, for contravening the provisions of a licence.

August 2023

Forty convictions were recorded in August 2023 for breaches of legislation enforced by the Environmental Protection Department.

Twelve of the convictions were under the Air Pollution Control Ordinance, 7 were under the Noise Control Ordinance, 9 were under the Public Cleansing and Prevention of Nuisances Regulation, 10 were under the Waste Disposal Ordinance and 2 were under the Water Pollution Control Ordinance.

A company was involved in two cases of failing to take measures to control air pollutant emissions, and another company was involved in failing to comply with an air pollution abatement notice. A \$30,000 fine, which was the heaviest fine in August, was imposed on the companies for each of the offences.

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