

PUBLIC ENGAGEMENT ON LONG-TERM DECARBONISATION

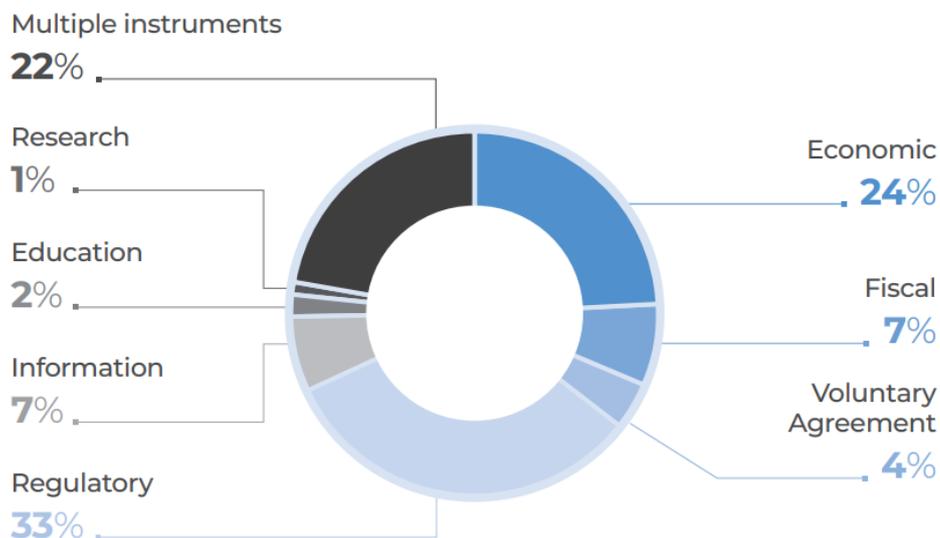
SUBMISSION FROM CARBON CARE ASIA LTD

Introduction

- We believe the science (including the facts set out in the SDC public engagement document) makes an irrefutable case for limiting temperature rise to below 1.5°C.
- We believe that external events: the rise in weather extremes and climate impact, growing public awareness of the challenge, and the resulting political pressure for action, will accelerate climate ambition over the next decade.
- Therefore, setting the more ambitious scenario now (zero emissions by 2050) is a more realistic and responsible target, removing the need for an expensive, painful and precipitous re-adjustment of Hong Kong’s decarbonisation plans at a later stage.
- As illustrated in the graphic below, the UNFCCC has found that the key policy instruments guiding climate mitigation involve regulations and economic and fiscal measures. This is where emphasis must lie in Hong Kong’s decarbonisation strategy, despite the emphasis on public education and individual change in the engagement document.

Figure 1:

Shares of policy instruments used by developed countries for mitigation action



Source: UNFCCC

- Characterising renewable energy costs as ‘high’ in the public engagement document, compared to all other sources, must be challenged in the face of:
 - Changing costs & technology;
 - Failure to include fossil fuel subsidies; and
 - Failure to include externalised costs of fossil fuels (health, other pollution, climate events)

Carbon Care Asia proposes the following principles should be applied to ensure an effective long-term decarbonisation strategy on the part of the Hong Kong government.

Principle One: There is no alternative to reaching net-zero emissions by 2050

- We concur with evidence set out in the public engagement document that zero emissions by 2050 is the only responsible option.
- Long-term decarbonisation should contain science-based targets for 2030, 2040 and 2050 to ensure a realistic reduction curve leading to a ‘soft landing’ and ensuring that emissions between 2020 and 2050 represent a responsible share of the global carbon budget.

Principle Two: Overall targets must be backed with detailed action plans

- Targets must be backed by action plans for all material aspects of energy generation and energy use.
- Targets must include policy options and should not be vague and aspirational. It should not be left for future generations (and officials) to make plans to achieve targets.
- Targets and action plans should be clear about the essential governance, institutional and financial provisions that are needed to ensure action; not just the technical goals & indicators.

Principle Three: We must not rely on “negative emissions” technology before or after 2050

- Continued positive GHG emissions mitigated by carbon removal technologies are problematic. Carbon removal technology is unproven at scale both scientifically & economically.
- The term ‘net zero’ must not become a loophole used to avoid setting responsible emissions reduction targets.
- Cross border carbon accounting and offsetting is currently an unresolved issue at international level (Article 6 of the Paris Climate Agreement.)
- The precautionary principle must be applied, requiring the goal of absolute zero emissions, not additional emissions predicated on hoped-for future technical solutions.

Principle Four: Transparent, science-based calculations for HK’s reduction targets must hit the 1.5°C scenario

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- The Public Engagement Document itself makes clear that any target above 1.5°C is irresponsible in terms of ensuring future safety and health of Hong Kong people.
- The engagement document sets out three carbon-reduction targets based upon 2°C, 2°C-1.5°C and 1.5°C scenarios (p.20). We would hope that these are science-based. We contend that it is important that the calculations and assumptions behind these figures are made public.
- What, for example, is the basis of the calculation that a 60% reduction of Hong Kong’s emissions by 2050 will be equivalent to Hong Kong contributing to a 2°C rise in global temperatures?

Principle Five: Local clean power generation must come first

- At the heart of Hong Kong’s decarbonization strategy will be emissions-free generation of electricity. Without renewable energy, electrification of transport and other equipment has little impact on decarbonisation.
- Long-standing figures for the potential for renewable energy generation within Hong Kong (3-4% p.28) are lower than some independent studies. Some estimates suggest that local solar energy potential can meet up to 20% of electricity demand.
- Hong Kong’s RE strategy needs to spur the private and public sector to apply more ambitious strategies, initiatives and technologies to raise this potential, locally generated renewable energy must be fully exploited as a priority, including large scale floating and community solar farms, onshore and offshore wind farms, as well as other pioneering forms such as tidal wave energy.

Principle Six: Strict additionality principle must apply to cross-border energy import

- If locally-generated renewable energy cannot fulfil long-term decarbonisation targets and future energy needs, only renewable electricity should be imported from across the border.
- If cross-border energy import is needed, a strict additionality principle must apply, i.e., only dedicated new-build renewable energy facilities invested and designed for HK should be included into the energy import plan.
- Otherwise such imports will only reduce the availability of renewables in Mainland China, leading to more carbon emissions when other types of power plants are built to fulfil their local needs.
- Nuclear energy must not be disguised as renewables for the purpose of energy import.
- The feasibility of importing renewable energy from countries besides mainland China should be explored in a transparent way to ensure diversity of energy supply.

Principle Seven: Use absolute & per-capita targets, not carbon intensity targets

- Carbon intensity targets could offer a false sense of security given:
 - The GDP can grow, permitting increases in GHG gas releases which show a drop in carbon intensity measures.

- Hong Kong’s economy is dominated by the service sector (such as finance) which could grow GDP figures without requiring major increases of GHG emissions, allowing general growth of emissions unrelated to the real cost of our economic activity.
- HK imports high-carbon footprint food, clothes and other manufactured products which would not be included in absolute targets.

Principle Eight: HK climate action appropriate for a high-income, high-emission territory

- HK should apply the UNFCCC and Paris Climate Agreement principle of “Common but Differentiated responsibilities” accepting that territories with higher levels of development should decarbonize at a faster rate than less-developed territories.
- As a high-emissions, high-GNP-per-capita city with a high Human Development Index rating (GDP, life expectancy and education measures), HK must do more than the global average to reduce GHG emissions.
- Hong Kong should transfer resources, technology and skills to assist poorer Chinese cities to achieve their low carbon transitions (similar to the policy used internally by China for poverty reduction action in previous decades).

Principle Nine: The city must monitor, report and build awareness of consumption-based emissions

- We welcome the discussion of consumption-based emissions in the engagement document.
- We recommend that HK Government work with others to develop a method to monitor and report consumption-based emissions.
- Hong Kong should be among the first cities to publish consumption-based statistics and set reduction targets for emissions from imported goods & services.
- Without accounting for consumption-based emissions, all the sections of the public engagement documents on personal consumption choices become less relevant to the territory’s long-term decarbonisation targets.

Principle Ten: Government leads on climate action, creating an enabling environment for business action & individual change

Behaviour change (by business and individuals) is derived from:

- Regulation;
- Economic and fiscal incentives and penalties (including price signals and support for technology development);
- Education & information provision; and
- Successful pilot initiatives and voluntary schemes.

These activities can only be led by government action (this is illustrated in Figure 1 above.) Calling for behaviour change that is not supported by the government-led initiatives listed above, or supported only by public education, will not achieve the intended result.

Principle Eleven: Measure, report and mitigate emissions from air and sea transport

- Hong Kong's decarbonisation plans should take account of emissions connected to our position as a major port and a civil aviation hub.
- Emissions from shipping and aviation may not be indefinitely excluded from attribution to specific countries, territories and cities.
- Hong Kong has the opportunity to become a leader in this area, working with the International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO) as well as others on initiatives for the assessment, attribution and mitigation of air and sea transport emissions.

Summary of key points

- There is no alternative to 2050 zero emissions deadline; no alternative to a 1.5°C pathway
- More ambition now will save more pain later
- Targets must be science-based and supported by clear action plans
- The top priority must be given to locally-generated renewables
- Only new-build non-nuclear renewables dedicated for HK can qualify for cross-border import
- Reduce absolute emissions: don't count on sucking up carbon in the future
- Wealthy Hong Kong must exceed average global carbon reduction requirements
- Absolute & per capita reductions must be used instead of intensity measures
- HK can be a leader on consumption-based metrics and can participate in air and sea transport emissions attribution
- Government must lead in a way that enables business & citizens to engage in decarbonisation
- Effective policy is built on clear action plans, strong leadership, trusted institutions and adequate finance; not pleasant aspirational phrases

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