

The Secretariat
Lantau Development Advisory Committee
17/F, East Wing
Central Government Offices
2 Tim Mei Avenue, Tamar, Hong Kong

29 April 2016

Dear Sir/Madam

**Response to the Public Engagement on the Lantau Development
Views from Business Environment Council Limited**

商界環保協會有限公司

Over the last two decades, Business Environment Council Limited 商界環保協會有限公司 (“BEC”) has taken a leading role in advocating the business case for environmental excellence in Hong Kong. Our members are committed to actively engaging with the HKSAR Government (“the Government”) on a range of issues relating to the environment and sustainability.

BEC is an independent charitable membership organisation comprised of approximately 200 member companies ranging from major holding companies to small and medium-sized enterprises in Hong Kong. Views expressed in this submission are those of BEC, and are based on BEC’s core principles developed over several years and in line with BEC’s Mission and Vision, as well as policy on relevant issues. These views may not necessarily be the same as the position of each individual member.

Introduction

1. BEC welcomes the HKSAR Government’s engagement of the public on the report of the Lantau Development Advisory Committee’s document “Space for All”, and in particular the vision of “*a smart and low carbon community*”. BEC recognises that the current engagement relates to developing a high level strategy, and that this is the start of a process of developing a detailed plan.
2. BEC notes the multiple objectives that the Government is seeking to achieve and recognises the complexity of this as well as taking on board the inter-relationship with development in other parts of Hong Kong, such as existing CBDs. We are keen to work with the Government to help the development of a strategy that takes on board these complexities.

BEC Views – Relevant Principles

1. Ensure high levels of liveability: BEC takes the view that retaining and enhancing the liveability of Hong Kong is important for the territory’s long term economic success. We are broadly supportive of the urban development and conservation approach applied to



date in Hong Kong (see BEC's response to consultation on the BSAP, and BEC Submission for CE Address 2016 which highlights liveability).

2. Safeguard Biodiversity and the Natural Environment: BEC regards biodiversity as the foundation of a healthy natural environment that provides food for people to eat, clean water to drink through the protection of water catchments, and clean air to breathe. We recognise that biodiversity also supports attractive green leisure space, contributing to the health and well-being of residents. We take the view that it should not be assumed that safeguarding biodiversity/natural ecosystems need to be sacrificed for development. Both these objectives can be achieved: it is a question of appropriate economic development in the right location and in a well-thought out way. (See BEC's response to the consultation on the BSAP for more detail).

3. Facilitate a forward-thinking and innovative Hong Kong: BEC takes the view that Hong Kong has the potential to trial and develop new technologies and approaches, to reconcile protection of biodiversity with development but also in contributing to a transition to a low carbon and resource efficient economy. The Paris Agreement on climate change and China's commitments in this respect will mean that there are opportunities to apply these approaches in the territory and the wider region. Hong Kong has opportunities to: put in place low carbon innovative transport systems with low pollution levels (including provision for electric vehicles and hybrids, as well as provision of walking and cycling space and the necessary facilities); trial green technologies for power generation and energy management (such as a smart grid), and improved rainwater capture and storage. It also has the opportunity to develop low impact eco-tourism approaches, of relevance to business opportunities in the wider region. For example, Lantau is a local centre for hiking and cycling which could be enhanced to attract tourists. (See BEC Policy Submission for CE Address 2016 on Energy, Transport, Biodiversity and Water)

4. Adopt a Natural Capital Valuation Approach: Decisions related to development of strategies and plans should involve systematic consideration of the impact on natural capital and demands on resources as well as the social and economic benefits, to ensure that good decisions are made for the longer term. This involves a clear assessment of impacts giving full weight to the benefits from clean air and water, biodiversity and the value to our well-being from green and natural spaces, as well as consideration of development options, for example as to siting of development. (See our reference to a Strategic Environmental Assessment approach in our policy submission on the Biodiversity Strategy and Action Plan.

5. Create Certainty for Business: as the process of developing this strategy continues, we expect that clarity will be developed as to boundaries for the different parts of Lantau, as well as criteria for zoning and designation of protected land. Certainty in this respect is important to enable business to make informed investment decisions. To enable this level of clarity, we expect that there will be a framework with clear criteria for



designation of land as country park and zoning of land, and regard for the relevant goals as well as to risks¹.

6. Support Efficiency and Good Risk Management: In line with BEC's commitment to a low carbon economy and sustainable society, we recognise the importance of supporting efficient management of resources – water, energy and materials, as well as management of risks. Climate risk in the form of more extreme weather, higher energy needs, rising sea level and increasing water scarcity, also need to be taken on board in developing a long-term plan for Lantau that ensures its adaptation and resilience to a changing climate (see BEC's Hong Kong Resilience Roadmap for Business).

In conclusion, we welcome the opportunity to contribute to the development of the Government's strategy in relation to Lantau. We have set out the principles that BEC would like to see applied, and welcome the opportunity to engage in further in-depth discussion as the evidence base and the strategy are developed.

Thank you for considering and taking on board our policy submission. If you have any questions, please contact our Chief Executive Officer, Mrs Christine Cheung on christinecheung@bec.org.hk.

Yours sincerely,



Mr Richard Lancaster
Chairman
Business Environment Council Limited

¹ We have noted from recent events that use of criteria like ecological value can have the opposite effect to that intended, as the current owners may be inclined to reduce this value to address sale prices. So the law needs to be designed to address this risk.

