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Dear Dr Leung

## Public Consultation on Biodiversity Strategy and Action Plan for Hong Kong

The Hong Kong General Chamber of Commerce welcomes HKSAR's initiatives of developing the first five-year Biodiversity Strategy and Action Plan for Hong Kong, allowing us to position Hong Kong as a showcase of biodiversity in a concrete jungle.

As Hong Kong's economy continues to develop, our living space becomes more urbanized and the impact of climate change becomes more apparent. We have to work harder and smarter to mainstream the value of biodiversity across all sectors. To scale up an effective policy development, we need to ensure that the business sector and general public are well informed of the implications and impact of deteriorating biodiversity, and to develop a positive attitude to protect our ecosystems. While it is important to leverage on market forces and create economic incentives for conservation in order to drive the inclusion of biodiversity and ecosystem values in the business decision process, we would like to emphasize the critical importance of providing certainty and predictability so that businesses can plan well ahead in response to any policy changes and new requirements. Our views are elaborated in the enclosed paper, and I hope you find it useful.

Thank you.

Yours sincerely

Shirley Yuen

CEO

Encl.

## HKGCC Submission in response to the Public Consultation on Biodiversity Strategy and Action Plan

- 1. The Hong Kong General Chamber of Commerce welcomes the HKSAR Government's initiatives of developing the first five-year Biodiversity Strategy and Action Plan ("BSAP") for Hong Kong.
- 2. World leaders signed the Convention on Biological Diversity ("CBD") in 1992, promising to take steps to conserve biodiversity and fairly share the benefits of biodiversity among the general public. China joined the CBD in 1993, and extended it to Hong Kong in 2011. Although Hong Kong is not itself a Party to the CBD, we should contribute to the global targets and China's national BSAP. In particular, we possess extraordinary biodiversity assets, allowing us to position Hong Kong as a showcase of biodiversity in a concrete jungle. From the business community's perspective, we would like to respond to the questions raised in the consultation document, as follows:
- Q1. How important do you think biodiversity is, in comparison with other concerns facing our society?
- 3. Biodiversity is more than plants, animals, micro organisms and their ecosystems it is also about people and our needs for fresh air, clean water and shelter, as well as food supplies, medicines and a livable environment. A diverse ecosystem is believed to be more productive than a non-diverse one, but such values are generally not easy to quantify. While Hong Kong is currently facing various economic, social and environmental challenges, we should not neglect the importance of preserving our biodiversity to maintain a sustainable future from the long-term planning perspective.
- 4. Biodiversity is inherently spatial each place is unique with different species and eco-combinations. Hong Kong is disproportionately rich in biodiversity. For examples, we have over 260 butterfly species which are four times more than those in Britain, and our 1,000 different marine fishes account for 1/3 of those in the whole South China Sea. Although our local biodiversity is having a high international value, the general awareness on biodiversity issues has been distracted by other more direct and immediate environmental challenges such as air pollution and waste problems. As successful conservation of biodiversity greatly depends on the full extent of available knowledge, as well as the commitment and participation of the community, we need to ensure that the business sector and general public are well informed of the implications and impact of deteriorating biodiversity, and to develop a positive attitude to protect our ecosystems through not only propaganda but also education, i.e. investment guidelines and school syllabuses.
- Q2. How should we balance the needs of people (for example, adequate housing, job opportunities or food) with the needs of the ecosystem?
- 5. There is no doubt that a biodiversified ecosystem brings along social and economic benefits, and any loss in biodiversity will create direct negative impact on our lives.

While our biodiversity is facing challenges from the tremendous need for land to meet the housing aspirations of local citizens and necessary infrastructure to develop Hong Kong into a global financial and commercial hub, we should duly value the social and economic aspects of ensuring that our rich biodiversity is sustainably preserved to strive for a balance.

- 6. Since the public concerns over social and economic issues tend to be short-term expediency, the BSAP should focus on enhancing our existing biodiversity strengths, mainstreaming the understanding of biodiversity across the society, and engaging different sectors in the dialogue and actions, so as to enable the community to adopt a long-term common goal.
- Q3. Conservation measures in Hong Kong have yielded some positive results. With regard to our programme so far launched, what do you think are its strengths? How could it be improved?
- 7. Most individual conservation measures, such as protection of land with high ecological values and ex-situ conservation programmes, deserve their own merits. To enhance the biodiversity for Hong Kong as a whole, we support developing a BSAP in a more holistic and strategic manner, through conducting a stocktaking process to raise public awareness and developing strategic enhancements of overall ecological functions rather than a piecemeal approach.
- 8. To achieve this, it is essential to enhance and publicize the listing of keystone species and species with important ecological functions, so as to raise public awareness and facilitate fulfilling corporate responsibility by businesses. As biodiversity issues vary across regions, it is important to introduce adaptive measures to tie in with Hong Kong's particular circumstances, instead of adding unnecessary policy burdens to the community. The HKSAR Government should clarify the confusion, if there is any, between the international red list and local situations.
- Q4. The Government currently tries to incorporate biodiversity considerations into its plans and policies. Under this BSAP, it would try to encourage other sectors to do the same. Which sectors are more ready to do this? Which sectors need the most support in adopting biodiversity considerations in their work?
- 9. The implementation of the BSAP may impact some businesses, in particular property development and construction sectors, and bring in other less visible changes in supply chain operations. As mainstreaming is the key for biodiversity conservation, the Government should provide more support to the business sector, especially SMEs, and introduce incentive schemes for businesses to develop biodiversity enhancement projects. These could include educational programmes to encourage the incorporation of biodiversity considerations into management decisions, land exchange for high ecological private land, promotion of the native plant landscape design in urban property developments, and the like.
- 10. While the Government should continue to enhance existing conservation measures

and incorporate biodiversity considerations into major development policies, we would like to emphasize the critical importance of providing certainty and predictability so that businesses can plan well ahead in response to any policy changes and new requirements, i.e. regulatory amendments to fill the gap between the Environmental Impact Assessment and public expectation, and facilitate their decision-making process of carrying out development projects at an earlier stage, particularly those in ecologically sensitive areas. If import bans on specific unsustainable products are to be introduced, the Government should engage the trade sectors along the supply change in discussion prior to policy formulation and provide an appropriate grace period for effective transition.

- 11. The business sector is a significant driver of biodiversity conservation. Unfortunately, under the current CBD framework, businesses do not have a clearly defined role in the process of formulating policy solutions to tackle biodiversity loss. To scale up an effective policy development, it is important to leverage on market forces and create economic incentives for conservation to drive the inclusion of biodiversity and ecosystem value in the business decision process, and level the playing field between businesses.
- Q5. We have identified various gaps in our knowledge of biodiversity in Hong Kong. We need to fill them to facilitate stakeholders in making informed decisions. In your opinion, which of these gaps should we focus on in the coming five years?
- 12. While the listing of important species is currently limited, the consultation document seems to be vague in identifying key biodiversity issues affecting Hong Kong, as well as major knowledge gaps concerning specific ecosystem services that are important to the community. It is difficult for the general public to evaluate the opportunity cost of sacrificing biodiversity for the needs of Hong Kong people.
- 13. Market mechanism is always a powerful complement to the Government's policies and strategies, and so bringing conservation and business together to deliver concrete biodiversity outcomes through the market should be the most effective way to drive ecosystem management. Apart from risk management, it is worthwhile to conduct a research on market potentials and opportunities for ecological products and eco-business services brought about by the conservation of biodiversity.
- 14. Conservation policy is intimately linked to economic, land, development and other major policies. However, one of the policy gaps in implementing environmental initiatives is the "inter-departmental disconnection" within the Government, probably due to the lack of internal communication, expertise in government authorities other than the Environment Bureau and the Agriculture, Fisheries and Conservation Department, and most importantly a strong leadership to coordinate a collective effort. The Government should strengthen its understanding of the links between biodiversity and other policies, advocate a more integrated approach to engage all departments in policy development and implementation, and develop a review mechanism to deal with conflicting policy interests.

- Q6. The Government and non-governmental organizations have taken a number of initiatives to promote biodiversity and nature conservation. In your opinion, which of these have been most successful? Can you suggest how we could improve them? Do you have other ideas?
- 15. It is difficult to compare the merits of different biodiversity initiatives ranging from public campaigns, e.g. the Hong Kong Biodiversity Festival, to breeding programmes on specific species. On the other hand, there is a growing awareness of the limitation of conventional approaches to promote the use of ecological resources and ecosystem management. In addition to award, certification and labeling schemes that could be incorporated into the Government's strategies, we should also step forward to study the feasibility of participating in some emerging global initiatives, such as tradable permits and biodiversity offset.
- 16. As economies continue to develop, living places become more urbanized, and the impact of climate change becomes more apparent, we have to work harder and smarter to mainstream the value of biodiversity across all sectors. We encourage the Government to conduct early stakeholder engagement exercises on development projects to find pragmatic solutions that will achieve sustainable development and conserve our biodiversity, while facilitating Hong Kong's economic development and maintaining our competitiveness.

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HKGCC Secretariat