Submission from the Hong Kong Institute of Qualified Environmental Professionals (HKIQEP)

2025 Policy Address Consultation Session
Topic: Opportunities for Hong Kong under the IMO Net-Zero Framework
Presenter: Dr. Peter Louie, Executive Director, HKIQEP
Date of Session: 31 July 2025

Summary of Remarks

During the consultation session, Dr. Peter Louie, Executive Director of HKIQEP, delivered a three-minute presentation outlining the implications and strategic opportunities for Hong Kong under the International Maritime Organization's (IMO) Net-Zero Framework (NZF) for global shipping.

The IMO has recently approved a **mandatory global agreement** at MEPC 83 (April 2025), with formal adoption scheduled for October 2025. This framework is expected to take effect in **2028**, applying to **all ships over 5,000 gross tonnage engaged in international trade**. The agreement includes:

- **Mandatory fuel standards** for low- or zero-carbon fuels
- **A global carbon pricing mechanism**
- A long-term goal of **net-zero emissions by 2050** for the shipping industry, aligning with international climate goals (China's national target is 2060, and Hong Kong's is 2050)

This regulatory shift will bring both **challenges and strategic opportunities** in the areas of **green finance, carbon trading, and decarbonization technologies**.

Opportunities and Recommendations

Dr. Louie emphasized that **Hong Kong, as a major international maritime and financial hub**, is well-positioned to capture the economic and strategic benefits of this transition. HKIQEP proposes the following key recommendations:

1. **Establish a Greater Bay Area Green Port Cluster**
    - Position Hong Kong as a leading **regional refuelling and service hub** for low-carbon and zero-carbon marine fuels.
    - Develop port infrastructure to support **green fuel bunkering**, vessel retrofitting, and emissions monitoring technologies.
    - Leverage this green transformation to attract vessel traffic and stimulate related logistics and port services.

2. **Strengthen Inter-Bureau Coordination**
    - Formalize and empower a cross-bureau task force including the **Environment and Ecology Bureau**, **Transport and Logistics Bureau**, and **Housing Bureau** to coordinate planning and policy implementation related to maritime decarbonization.
    - Ensure policies and infrastructure investment are aligned with regional and international regulatory timelines.
3. **Leverage Hong Kong's Financial Platform**
    - Promote **green shipping finance**, **carbon offset schemes**, and **emissions trading platforms** to support shipping companies in their decarbonization journey.
    - Utilize Hong Kong's robust capital markets and ESG regulatory expertise to attract and structure investment for sustainable maritime infrastructure.
4. **Position Hong Kong as a Knowledge and Innovation Hub**
    - Invest in R&D and professional training on maritime decarbonization, carbon accounting, and fuel lifecycle analysis.
    - Encourage collaboration among academia, industry, and government to develop and certify emerging marine fuels and technologies.

Conclusion

The IMO Net-Zero Framework presents an opportunity for Hong Kong to assert its leadership in **sustainable maritime development** and **green finance**. With timely planning and coordinated execution, Hong Kong can not only meet international climate targets but also strengthen its role in the global value chain of decarbonized shipping.

HKIQEP stands ready to support the Government in further developing environmental professional capacity, regulatory alignment, and ESG practices needed to achieve these goals.

Appendix – Source References

1. **International Maritime Organization (IMO) Press Briefing on MEPC 83 (April 2025)**
    - Title: *IMO approves net-zero regulations to decarbonize international shipping*
    - URL: https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-approves-netzero-regulations.aspx
2. **IMO Strategy on the Reduction of GHG Emissions from Ships (Updated 2023)**
    - Title: *Cutting GHG Emissions*
    - URL: https://www.imo.org/en/mediacentre/hottopics/pages/cutting-ghg-emissions.aspx
3. **European Commission News – IMO Agreement Towards Net-Zero Emissions**
    - Title: *Landmark agreement towards achieving net-zero emissions from global shipping by 2050*
    - URL: https://transport.ec.europa.eu/news-events/news/landmark-agreement-towards-achieving-net-zero-emissions-global-shipping-2050-2025-04-11_en
4. **DNV – MEPC 83 Outcomes and Regulatory Timeline**
    - Title: *MEPC 83 outcomes: New global GHG regulations and timelines*
    - URL: https://www.dnv.com/news/mepc-83-new-global-ghg-regulations-and-timelines-250649
5. **Hong Kong Climate Action Plan 2050**
    - Title: *Hong Kong's Climate Action Plan 2050 – Towards Carbon Neutrality*
    - URL: https://www.climateready.gov.hk/files/pdf/CAP2050_booklet_en.pdf
6. **China's Carbon Neutrality Target**
    - Coverage of China's 2060 goal by international outlets (e.g., UN, IEA):
    - UN News: https://news.un.org/en/story/2020/09/1073052