

立法會
Legislative Council

LC Paper No. CB(1) 2073/01-02

(These minutes have been seen
by the Administration)

Ref: CB1/PL/EA/1

LegCo Panel on Environmental Affairs

**Minutes of meeting held on
Monday, 27 May 2002, at 2:30 pm
in Conference Room A of the Legislative Council Building**

- Members present** : Hon CHOY So-yuk (Chairman)
Hon Cyd HO Sau-lan (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon Martin LEE Chu-ming, SC, JP
Hon SIN Chung-kai
Hon WONG Yung-kan
Hon LAU Kong-wah
Hon Miriam LAU Kin-ye, JP
Hon Emily LAU Wai-hing, JP
Hon LAW Chi-kwong, JP
Hon Henry WU King-cheong, BBS
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Dr Hon LO Wing-lok
- Members attending** : Hon LEE Cheuk-yan
Hon Albert CHAN Wai-yip
- Members absent** : Hon CHAN Yuen-han, JP
Hon Abraham SHEK Lai-him, JP
Hon LAU Ping-cheung
Hon Audrey EU Yuet-mee, SC, JP

**Public officers
attending**

: For item IV

Environment and Food Bureau

Ms Jessie WONG
Principal Assistant Secretary (C)2

Agriculture, Fisheries and Conservation Department

Dr WONG Fook-ye
Assistant Director (Country and Marine Parks)

Mr Edward C K WONG
Senior Marine Parks Officer

For item V

Environment and Food Bureau

Ms Annie CHOI
Principal Assistant Secretary (B)2

Environmental Protection Department

Dr Lawrence T K WONG
Principal Environmental Protection Officer
(Facilities Planning)

For item VI

Environment and Food Bureau

Mr Donald TONG
Deputy Secretary (B)

Ms Annie CHOI
Principal Assistant Secretary (B)2

Environmental Protection Department

Mr Rob J S LAW
Director

Dr Ellen CHAN
Assistant Director (Waste Facilities)

Dr Lawrence T K WONG
Principal Environmental Protection Officer
(Facilities Planning)

Clerk in attendance : Miss Becky YU
Chief Assistant Secretary (1)1

Staff in attendance : Mrs Mary TANG
Senior Assistant Secretary (1)2

I Confirmation of minutes of previous meeting

- (LC Paper No. CB(1) 1809/01-02 — Minutes of the special meeting held on 19 March 2002
LC Paper No. CB(1) 1810/01-02 — Minutes of the special meeting held on 10 April 2002)

The minutes of the special meetings held on 19 March and 10 April 2002 were confirmed.

II Information paper issued since last meeting

2. Members noted the following information papers which had been issued since last meeting -

LC Paper No. CB(1) 1591/01-02 — A copied letter addressed to the Administration by the green groups on their concerns about the Chinese rendition of the term “sustainable development”;

LC Paper No. CB(1) 1629/01-02 — An information paper entitled “Improving air quality in Pearl River Delta Region”; and

LC Paper No. CB(1) 1745/01-02 — An invitation to the forum on “Waste Recycling Industry in Hong Kong, Status and Prospects” organized by the Centre for Environmental Policy and Resource Management, The Chinese University of Hong Kong

III Date of next meeting and items for discussion

(LC Paper No. CB(1) 1811/01-02(01) — List of follow-up actions arising from discussion

LC Paper No. CB(1) 1811/01-02(02) — List of outstanding items for discussion)

3. Members agreed to the following meeting arrangements in June 2002 -
- (a) A joint meeting with the Transport Panel would be held on Thursday, 13 June 2002, at 8:30 am to discuss the subjects on “Light buses using cleaner fuel” and “Air quality in Hong Kong” (including the Guangdong-Hong Kong Joint Study on Air Quality in Pearl River Delta Region);
 - (b) Another joint meeting with the Transport Panel would be held on Tuesday, 18 June 2002, at 10:45 am to discuss the proposed traffic management schemes to address traffic noise problems;
 - (c) The next regular Panel meeting would be held on Monday, 24 June 2002, at 2:30 pm to receive deputations’ views on the proposed Landfill Charging Scheme; and
 - (d) An informal meeting with green groups would be held on Thursday, 27 June 2002, at 10:00 am.
4. As there were already four meetings scheduled for June 2002, members decided that the informal meeting with the Advisory Council on the Environment which was originally scheduled to be held in late June 2002 would be postponed until September 2002.

IV Proposed designation for South West Lantau and Soko Island Marine Parks

(LC Paper No. CB(1) 1811/01-02(03) — Information paper provided by the Administration)

5. The Principal Assistant Secretary for the Environment and Food (C)2 (PAS/EF(C)2) briefed members on the Administration’s proposal to designate the South West Lantau Marine Park and Soko Islands Marine Park for protecting the habitats of Chinese White Dolphins and Finless Porpoises, and other marine life found within the areas.

Impact of proposed designation on trawlers

6. While supporting in principle the designation of marine parks in North East New Territories, Mr WONG Yung-kan expressed reservations on the designation of marine parks in South West and North West New Territories lest this would impact on the livelihood of fishermen. Sharing the same concern, Mr Albert CHAN opined that the Administration should provide a fair compensation to trawlers whose livelihood would be affected by the proposed designation as in the case of loss of fishing grounds due to reclamation projects. PAS/EF(C)2 explained that trawling was prohibited in marine parks because this would involve non-selective capture of fish and other marine life which would seriously disturb the seabed and the marine ecology. Designation of the proposed marine parks was not expected to have a serious impact on the livelihood of trawlers as they could continue to operate at other fishing grounds. Given that bona-fide fishermen would be allowed to continue fishing in the marine parks in a non-destructive manner subject to a free permit system, it was not considered necessary to provide any compensation because of the proposed designation. Besides, marine parks would contribute to the conservation of marine environment and building up of fish stocks that would benefit the fishing industry in the long run. The Assistant Director (Country and Marine Parks)/Agriculture, Fisheries and Conservation Department (AD/AFCD) added that unlike the implementation of reclamation projects, the designation of marine parks would not result in the loss of fishing grounds but would render greater protection to marine ecology.

Unauthorized entry to and fishing in Hong Kong waters

7. Mr WONG Yung-kan queried how the proposed designation could protect the marine species within the areas given that unauthorized fishing was still rampant in marine parks. He further pointed out that measures to protect the marine parks from unauthorized entry by Mainland vessels were to no avail since these vessels would be released once they were returned to Mainland waters. Mr Henry WU also expressed concern about the difficulties in preventing unauthorized entry to marine parks. PAS/EF(C)2 advised that AFCD would step up patrols and the Marine Police and AFCD would undertake joint enforcement actions against unauthorized entry and fishing in marine parks. AD/AFCD added that the proposed designation would put the marine parks concerned under the management and control of the Country and Marine Parks Authority in accordance with the Marine Parks and Marine Reserves Regulation for conservation, recreation, education and scientific research purposes. Measures, which included the imposition of a permit system for fishing, speed limit control on power-driven vessels and prohibition of trawling activities, would be taken to protect the marine ecology within the areas. He added that as a result of the active enforcement actions, the problem of unauthorized fishing in marine parks, that was of particular concern at Tung Ping Chau, had been under control. To deter unauthorized entry to the designated marine parks by Mainland fishing vessels, the Administration would notify the relevant Mainland authorities of the licence numbers of the vessels which were caught fishing illegally in the marine parks of Hong Kong.

8. Mr Albert CHAN held the view that the measures referred to were inadequate to protect the marine reserves in Hong Kong, and that there was a need to step up enforcement against unauthorized fishing. PAS/EF(C)2 confirmed that funds had been allocated for the procurement of two additional patrol launches for the protection and management of the two proposed marine parks. Additional staffing support would also be provided for the stepping up of enforcement actions. In reply to Dr LO Wing-lok's question on the staffing establishment for patrol purpose, AD/AFCD said that there would be three permanent staff and eight staff on contract terms to perform patrol in the two proposed marine parks. To facilitate better understanding, the Chairman requested and the Administration agreed to provide further information on the measures to enhance enforcement against unauthorized entry to and fishing in marine parks.

Developing eco-tourism in marine parks

9. Mr LAU Kong-wah said that apart from protecting marine parks, consideration should be given to putting them into good use. In this connection, a policy on the development of eco-tourism should be worked out. PAS/EF(C)2 said that visits to marine parks were encouraged as part of conservation education, but all activities held in marine parks had to be compatible with the conservation objective. At present, information pamphlets were provided to facilitate visits to marine parks by the public. Consideration was being given to providing guided tours to certain marine parks as in the case of country parks. The Country and Marine Parks Authority was in close liaison with the Tourism Commission to develop eco-tourism in marine parks.

10. As regards Mr Albert CHAN's concern about conservation of ungazetted beaches along Tai Long Wan which used to be breeding grounds for turtles some years ago, AD/AFCD said that the area was not included as part of the marine park because it was no longer inhabited by turtles. However, the situation remained to be reviewed. On the latest development of artificial fish reefs, AD/AFCD said that the Administration did not have plans to develop artificial fish reefs at South Lantau.

V Proposed amendments to the Waste Disposal (Refuse Transfer Station) Regulation and Waste Disposal (Designated Waste Disposal Facility) Regulation

(LC Paper No. CB(1) 1811/01-02(04) — Background brief prepared by the Legislative Council Secretariat

LC Paper No. CB(1) 1811/01-02(05) — Information paper provided by the Administration)

11. At the invitation of the Chairman, PAS/EF(B)2 highlighted the Administration's proposal to -

- (a) open the Northwest New Territories Transfer Station (NWNTTS) and the Ma Wan Transfer Station (MWTS) for accepting municipal solid waste delivered by private waste collectors at a charge of \$38 and \$68 per tonne respectively; and
- (b) include the Yung Shue Wan Transfer Station, Sok Kwu Wan Transfer Station, NWNTTS and MWTS as designated waste disposal facilities.

12. Ms Miriam LAU queried the differences in charges between NWNTTS and MWTS which were offering the same services. PAS/EF(B)2 explained that the charges were set at levels to recover the additional cost to handle the waste. Given its smaller scale of operation, the unit operating cost of MWTS was relatively higher than that of NWNTTS and hence a higher charge had to be levied to enable cost recovery. Ms LAU considered it unfair that MWTS users had to pay higher charges on account of its smaller scale of operation. She then enquired how the charges of MWTS compared with that of other refuse transfer stations (RTS). PAS/EF(B)2 explained that as RTS charges were determined to recoup the marginal additional operating cost for handling the additional waste, these would differ from individual stations. At present, RTS charges for Island East Transfer Station and Island West Transfer Station were \$40 whereas RTS charges for West Kowloon Transfer Station and North Lantau Transfer Station were \$30 and \$110 respectively. As the schedule for completion of MWTS would tie in with the occupation of a large private residential development which would be the major private sector user of the MWTS, the Administration had discussed with the developer concerned and the latter had agreed to the charge of \$68 per tonne.

13. On consultation with the trade on the level of RTS charges, the Principal Environmental Protection Officer (Facilities Planning) (PEPO(FP)) confirmed that the waste collection trade had been consulted prior to the setting of charges. Since the use of RTS was not mandatory, the trade could choose to subscribe the service if it was cost effective and conducive to their operation. As such, they did not have strong views on the level of charges so long as it was reasonable. He added that in deciding the level of RTS charges, the user-pays principle would apply. The rates were set at levels which were commercially viable to the waste collection trade and at the same time enabled the Government to recoup the additional cost in handling the waste delivered by private waste collectors. In this way, taxpayers would not be subsidizing the private waste collection trade. RTS charges had recently been reduced to encourage more waste collectors to make use of the service.

14. Mr SIN Chung-kai asked if it was the Administration's intention to promote the use of RTS. If so, consideration should be given to introducing financial incentives to encourage the use of such service rather than adhering to the principle of cost recovery. PAS/EF(B)2 said that the Administration would conduct a costing review of RTS within this year and would revert to the Panel on any proposed changes.

15. In response to the Chairman's enquiry on the progress of establishing waste recycling facilities at RTS, PAS/EF(B)2 advised that the Administration was looking into the feasibility of setting up recycling facilities adjacent to RTS taking into account the availability of land for such facilities. Planning was already in place to set up small-scale facilities at NWNTTS while the provision of such facilities at the Kowloon Bay Transfer Station was under consideration.

VI Proposed Landfill Charging Scheme

(LC Paper No. CB(1) 1811/01-02(06) — Background brief prepared by the Legislative Council Secretariat

LC Paper No. CB(1) 1811/01-02(07) — Information paper provided by the Administration)

16. The Deputy Secretary for the Environment and Food (B) (DSEF(B)) briefed members on the proposed Landfill Charging Scheme (the Scheme), highlighting the salient points in the information paper.

Charging arrangements

17. On construction and demolition (C&D) waste generated from construction sites, Ms Miriam LAU questioned the need for the proposed chit system given that major C&D waste producers were already account holders registered with the Government who should be allowed to settle payment electronically. In this way, waste haulers would not have to pay the landfill charges upfront even if they were not given the required chits by their clients. Mr LEE Cheuk-yan supported the use of electronic payment system as this would address waste haulers' concern over the time required to wait for the chits before they could leave the construction sites.

18. In reply, DSEF(B) said that the purpose of the chit system was to allow an efficient charging arrangement. Operators at the weighbridge of landfills would input information contained in the chits into the computer system. The computer would compare the charge on a per tonne basis and on a per vehicle basis and automatically debit the lower one to the relevant chit accounts. The Environmental Protection Department (EPD) would issue invoices to major waste producers based on the waste volume recorded in the accounts over the month. A chit system was required as the actual volume of waste delivered to landfill on vehicles could vary significantly. Ms LAU however pointed out that information such as the location of construction site from which the waste was generated and the licence plate number of the dump truck could also be used to facilitate charging. There might not be a need for the chit system which could be open to abuse and malpractice. PAS/EF(B2) responded that the chit system was a necessary arrangement as the amount of waste could be recorded and checked against by the waste producers and haulers. The Assistant Director of Environment Protection (Waste Facilities) (ADEP(WF)) added that the chit system was jointly worked out with the construction trade. The system would allow for greater control over waste production by contractors. Besides, the construction trade would

prefer a chit system to an electronic charging system as a first step of implementation as the latter would have cost implications.

19. As regards C&D waste arising from ad hoc renovation works, ADEP(WF) said that a computerized account billing system would be established for waste haulers who handled this type of waste. Under the system, waste haulers would be required to first register their vehicles and open an account with EPD based on the vehicle registration mark (VRM). Operators at the weighbridge of landfills would input the VRM number into the computer system and vehicles with valid VRM could enter. EPD would record the amount of waste carried by a VRM vehicle. Invoices would be sent to the account holders based on their accrued usage over a month. A credit period of 30 days would be given and a security deposit would not be required.

Operational difficulties of the Scheme

20. While appreciating the proposal of suspending payment of landfill charges if waste haulers had clear evidence to show that they were unable to recover the charges from waste producers within the credit period, Ms Miriam LAU expressed concern that this might not be implemented in practice since waste haulers might have difficulties in providing such evidence if they did not have details of the waste producers. To ensure that waste haulers would not have to bear the charges if they were not able to secure payment from waste producers, Ms LAU asked if Government was prepared to write-off the charges if the waste haulers failed to recover the charges. She also enquired about the types of evidence that would be required to justify the writing-off of charges. DSEF(B) affirmed that payment of landfill charges would be suspended if haulers had clear evidence to show that they failed to recover the charges from the waste producers within the credit period. The Administration was working on measures which would allow suspension of payment of charges by waste haulers on the one hand and prevent possible abuse of such a suspension arrangement on the other. One option was the application submitted by waste haulers to the Small Claims Tribunal (SCT) for recovery of landfill charges and transportation charges from waste producers. Government would accept this as hard evidence that they were unable to recover the landfill charges from waste producers within the credit period. Upon receipt of this, Government would not require them to settle payment unless and until the charges were recovered from waste producers.

21. Ms LAU considered that the proposed arrangement for debt recovery through SCT was unduly cumbersome and would create unnecessary hardship to waste haulers. She asked if the Administration would consider accepting a declaration under oath made by waste haulers that they were unable to recover landfill charges from construction contractors as an alternative. DSEF(B) said that it would be for the waste haulers to decide whether they should proceed with court action to recover the debt. The Administration was prepared to provide suitable assistance to waste haulers in submitting applications to SCT for debt recovery. On Ms LAU's proposal of requiring waste haulers to make statutory declarations, DSEF(B) noted that such declarations under oath were legally binding and said that the Government would give

serious consideration to this proposal.

22. Mr LEE Cheuk-yan suggested that to facilitate waste haulers in making declarations under oath, consideration could be given to deploying officers at landfills to administer oaths. Notwithstanding, Mr LEE remained concerned about the operational difficulties associated with the Scheme. He pointed out that in the case of domestic renovation works, waste haulers were not paid upfront but at a later stage by the contractors concerned. Given that details which waste haulers might have regarding the contractors were usually limited to pager or telephone numbers, it would be unlikely for them to make any declaration or claim for charge recovery in the absence of personal details of the debtors. Since it would be unfair for waste haulers to settle payment upfront on behalf of their clients, Mr LEE suggested that consideration should be given to exempting small waste producers from the Scheme until ways to resolve the operational difficulties of waste haulers were identified. DSEF(B) said that the Administration would not favour any scheme that would not cover renovation waste because it was extremely difficult to differentiate C&D waste coming from construction and renovation sites. To make the scheme successful, it must cover both construction and renovation waste. He stressed that the main purpose of the Scheme was not to raise revenue but to create an incentive to reduce waste. As such, any further major compromise might defeat the purpose of the Scheme. Besides, the proposal put forward by Mr LEE would likely provide immense opportunities for abuse.

23. As waste haulers were collecting landfill charges on behalf of the Government, Dr LO Wing-lok suggested that consideration could be given to offering a 20% rebate of the charges to waste haulers as an incentive for waste collection and disposal. While agreeing that waste haulers were not waste producers, DSEF(B) pointed out that they earned their living by collecting and disposing waste at landfills. As waste haulers were landfill users, it was not unreasonable to hold them responsible for collecting landfill charges, a practice adopted by overseas economies practising landfill charging. Nevertheless, the Administration acknowledged the trade's concern about bad debts and had therefore come up with the proposal to allow suspension of payment of landfill charges should haulers have evidence on recovery problem.

Consultation with waste haulers

24. Ms Emily LAU expressed concern that the Administration was not able to convince the trade on the implementation of the Scheme despite protracted negotiation over the years. DSEF(B) said that the Scheme as revised had incorporated various features to address the trade's concerns, particularly those on cash flow and bad debt problems. However, the Administration could not accede to the waste haulers' request to extend the direct settlement system to all other waste producers given the large number of renovation waste producers involved. He added that the present proposal of the Government was already much more accommodating than most overseas economies which adopted only a "gate fee" system to collect landfill charges.

25. The Director of Environmental Protection said that he failed to understand why waste haulers were still adamantly opposed to the Scheme when concessions had already been made to meet their demands. He pointed out that about 90% of transactions involving ad hoc renovation works involved payment of cash upfront to waste haulers. It was therefore expected that only a small percentage of waste haulers would be exposed to potential bad debts. Besides, they could refuse to provide the service in the event of non-payment of charges. Notwithstanding, the Administration was prepared to accept basic evidence for suspending payment in the case of bad debts. He said that the Scheme had incorporated more concessions than any other overseas economies and there should not be any concern that it would bring about financial hardship to waste haulers. PEPO(FP) added that he had met with waste haulers' associations, renovation contractors and management companies to understand the operation of the affected trades. They generally supported the Scheme in principle provided that a proper charging arrangement was in place. While appreciating the need to address the trades' concerns and the operational difficulties arising from the Scheme, Ms Emily LAU considered it necessary to take forward the Scheme which had been held up for many years and subject to criticism by the Public Accounts Committee.

26. In concluding, the Chairman said that members were in general supportive of the principles of the Scheme but measures had to be worked out to facilitate its implementation. The affected trades and interested parties would be invited to attend the next regular meeting on 24 June 2002 to present their views.

VII Any other business

27. There being no other business, the meeting ended at 4:30 pm.

Legislative Council Secretariat
21 June 2002