

**Extract of Confirmed Minutes of the 94<sup>th</sup> Meeting of  
the Advisory Council on the Environment  
held on 26 March 2002 at 2:30 p.m.**

**Present:**

Mr. Peter H. Y. WONG, GBS, JP (Chairman)  
Mr. Daniel M. C. CHENG  
Mr. Edward S. T. HO, SBS, JP  
Dr. HO Kin-chung  
Mr. KWOK Kwok-chuen, BBS  
Prof. LAM Kin-che (EIA Subcommittee Chairman)  
Mr. Peter Y. C. LEE  
Mr. LIN Chaan-ming  
Dr. NG Cho-nam  
Mrs. Mei NG  
Mr. Otto L. T. POON  
Ms. Iris TAM  
Miss Alex YAU  
Ms. Jessie WONG (Secretary)

**Absent with Apologies:**

Mr. Barrie COOK  
Prof. Anthony HEDLEY, BBS, JP  
Prof. Peter HILLS  
Prof. Dennis S. C. LAM  
Dr. LEONG Che-hung, GBS, JP  
Mr. PAO Ping-wing, JP  
Mr. Brian ROBERTSON  
Mr. Michael J. D. RUSHWORTH  
Prof. WONG Yuk-shan, JP  
Mr. LOH Ah Tuan

**In Attendance:**

Mrs. Lily YAM, JP	Secretary for the Environment and Food
Mr. Thomas CHOW	Deputy Secretary (C), Environment and Food Bureau (EFB)
Mr. Donald TONG	Deputy Secretary (B), EFB
Mr. C C LAY	Assistant Director (Conservation), Agriculture, Fisheries and Conservation Department (AFCD)
Dr. Constance CHAN	Assistant Director, Department of Health
Mr. P K CHUNG	Acting Assistant Director (Technical Services), Planning Department (Plan D)

Mrs. Pauline LING  
Ms. Polly LEUNG  
  
Miss Petula POON  
Ms. Cora SO

Chief Information Officer, EFB  
Principal Information Officer, Environmental  
Protection Department (EPD)  
Chief Executive Officer (C), EFB  
Executive Officer (C), EFB

**In Attendance for Agenda Item 5 :**

Ms. Annie CHOI  
Dr. Ellen CHAN

Principal Assistant Secretary (B)2, EFB  
Assistant Director (Waste Facilities), EPD

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Action

**Agenda Item 5: Inviting Expressions of Interest in Providing  
Integrated Waste Treatment Facility(ies)  
(ACE Paper 8/2002)**

29. The Chairman welcomed Ms. Annie Choi and Dr. Ellen Chan to the meeting. Ms. Choi briefed Members on the paper.

*Provision of information*

30. A Member said that it was highly unusual for an Expressions of Interest to provide detailed commercial and financial information as it would not be binding as in the formal tender. He queried whether such information could be relied upon in the short listing exercise. The Chairman commented that those who responded to the invitation might be reluctant to disclose detailed commercial and financial information on the proposed technology/facility. In response, Ms. Choi said that the invitation document would set out clearly information that should be provided by interested parties for assessment purpose. Respondents would be asked to state clearly if there was any information in their submissions that should be kept confidential.

31. A Member considered that the Administration might have difficulty in verifying the financial information. Another Member suggested that the parties should be required to provide references of the proposed technologies/facilities so that the Administration could check the proposal against similar technologies/facilities in operation. In response, Ms. Choi explained that though the provision of financial information was not mandatory, such information was essential for assessing the cost-effectiveness of the proposals. The Administration was aware of the difficulties in verifying the financial information provided but would try to do so through contact with other related parties.

*Integrated facilities*

32. A Member was concerned that the term “integrated” would mean a combination of technologies/facilities to handle all kinds of wastes and that single treatment technology(ies) would not be welcomed. In response, Ms. Choi said that the Expression of Interest (EoI) exercise aimed to gather information on technologies that could handle large quantities of waste, whether they were single or integrated technologies. At this early stage of technology search, it would be desirable to allow a higher degree of flexibility. Dr. Chan supplemented that there were overseas examples of integrated waste facilities which comprised mechanical sorting of wastes, organic treatment, energy recovery, and recycling of residues. Different combinations of technologies and facilities would be considered.

33. A Member urged the Administration to select different companies that specialized in recycling different materials instead of just one company so as to ensure cost effectiveness. In response, Ms. Choi clarified that the EoI exercise was not limited to recycling facilities. Also, the EoI exercise was not a tender exercise and no companies would be selected for construction and operation of the facilities at the present stage. However, to ensure cost effectiveness, the economic viability of the proposals would be one of the assessment criteria.

34. In response to a Member’s enquiry, Ms. Choi said that there were integrated waste treatment facilities in the Unites States, Europe, Australia, Japan and other countries. The invitation would thus be extended to the international waste management industry.

35. The Chairman urged the Administration to keep an open mind in the exercise to avoid ruling out innovative proposals.

36. A Member supported the EoI approach, as it was an effective way to gather information on the latest technologies for handling wastes.

37. A Member also supported the EoI exercise. He suggested that to encourage innovative proposals, the Administration should make it very clear that the exercise was not confined to big integrated waste treatment technologies/facilities but would also welcome non-integrated types of treatment technologies.

38. A Member suggested that the Government should provide a kick-off grant and set up a non-profit-making recycling board to co-ordinate the collection and recycling of different kinds of waste. The board should include representatives from the recycling industries. In response, Mr. Donald Tong said that we could not count on any single measure to deal with the waste problem. The Government recognized that the importance of recycling and had already introduced a series of measures last year to encourage and facilitate recycling. However, we could not count on recycling alone and hence we now invited the waste management industry to offer us proposals to treat the large volume of unrecyclable waste. As regards possible collaboration with the recycling industries, Mr. Tong pointed out that EPD and various working groups under the Waste Reduction Committee were keeping close contact with the industry for exchange of information on the latest development of technology and for identifying areas for cooperation.

#### *Legislative support*

39. A Member said that from the Council's study visit to Europe last year, he noted that good technologies could not be implemented without legislative support. He suggested that the interested parties should be encouraged to propose amendments to related legislation if that could facilitate the implementation of their proposals. Echoing that Member's point, the Chairman said that in addition to legislative support, community acceptance was also crucial to the successful implementation of waste treatment proposals.

*Timetable*

40. Noting that the estimated earliest commencement time for the selected facilities was 2012, a Member expressed concern that they might not help address the landfill problem to a significant extent. In response, Ms. Choi explained that the timetable only served as a rough indication. Upon the completion of the EoI exercise, a number of processes like public consultation, funding application, EIA, tendering, detailed design and construction of the facilities would follow and the Administration would try to shorten the time required for each process.

41. In response to a Member's enquiry, Ms. Choi said that the tendering exercise would take place after the EIA process. That Member commented that it would seem unfair to the tenderers if the selected technology/facility was patented. Dr. Chan responded that a technology/facility was unlikely to be patented though a particular process or material used in a technology might be, but that would not do the tenderers any injustice.

42. Mrs. Lily Yam informed Members that when the Waste Reduction Framework Plan was released in 1998, the recommended approach was to adopt waste-to-energy as the bulk waste reduction method. However, in the light of rapid development of waste treatment technologies and the changing aspirations of the community in environmental protection, the Administration considered it appropriate to search for a suitable technology or combination of technologies that would best suit Hong Kong through the EoI exercise. She agreed that the word "integrated" might cause confusion. As regards the assessment mechanism, an Advisory Group would be set up to evaluate the submissions with assistance provided by EPD. She appreciated Members' concern about the proposed timetable but pointed out that the site selection process might take up a great deal of time given the public sentiment on the location of waste treatment facilities. That said, the timetable required adjustment and the Administration would try to expedite the whole process as far as practicable.

*Landfill charging scheme*

43. A Member enquired about the implementation date of the proposed landfill charging scheme and expressed concern about the difficulties in charging operators of ad-hoc renovation work. In response, Ms. Choi said that they would submit the proposed landfill charging scheme to the Legislative Council in the coming months. Upon Legislative Council's agreement to the proposal, the scheme could be implemented within 12 to 16 months. Regarding ad hoc renovation work, Ms. Choi pointed out that it was impossible to identify the waste producers due to the ad-hoc and diverse nature of such work. Therefore, a charge could only be levied at the landfill gate.

44. On renovation waste, a Member said that residents/waste producers had to pay for the collection and disposal of the waste even now. Hence, the waste haulers' concern of bad debts was not justified.

45. The Chairman asked whether the landfill charge of \$125 per tonne was based on the value of agricultural or residential land. In reply, Ms. Choi said that the figure included only the capital and operating costs of the three landfills and no land cost had been included. The charge would amount to \$205 per tonne if the value of agricultural land was included.

46. The Chairman thanked Ms. Choi and Dr. Chan for the briefing and concluded that the Council fully supported the EoI exercise and the landfill charging scheme.

**ACE Secretariat**  
**April 2002**