

立法會 *Legislative Council*

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Report of the Panel on Environmental Affairs for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Environmental Affairs during the Legislative Council session 2004-05. It will be tabled at the meeting of the Council on 6 July 2005 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000 for the purpose of monitoring and examining Government policies and issues of public concern relating to environmental and conservation matters. The terms of reference of the Panel are given in **Appendix I**.

3. The Panel comprises 14 members, with Hon CHOY So-yuk and Hon Emily LAU elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

Major Work

Merger of the Environment Branch of the Environment, Transport and Works Bureau with the Environmental Protection Department

4. In October 2004, the Panel discussed the proposal on the merger of the Environment Branch (EB) of the Environment, Transport and Works Bureau (ETWB) with the Environmental Protection Department (EPD) which was scheduled to take effect on 1 April 2005. The main purpose of the proposal was to improve the arrangements for policy formulation while at the same time adjusting the structure of the operational responsibilities of the existing EPD so that the new organization would be more responsive to today's need. As a result, four directorate posts would be released consequent upon the rationalization of the directorate structure and 50 non-directorate posts would be deleted by the end of March 2007.

5. The Panel generally supported the proposal. A member opined that the Administration should consider the merging of the Transport Branch of ETWB with the Transport Department to achieve greater savings. Some members expressed concern that the proposed merger would result in the replacement of professional staff by Administrative Officers (AOs), thereby affecting the professionalism of the new EPD. They stressed that the Administration should implement the merger in a prudent manner so as not to affect staff morale. It should also maintain a dialogue with the staff to address their concerns, particularly those on the diminishing chances for promotion of professional staff as a result of the merger because the senior directorate posts, formerly available to them through direct promotion, had to be shared out by and competed with AOs under the open directorate system. Consideration should also be given to allowing staff members whose ranks were not included in VRS to leave if they so wished. Other members however had different views, they considered it inappropriate to allow those ineligible for VRS to apply for retirement packages as this would incur additional public expenditure to fill their posts. They also supported the open directorate system which would enable the most competent officers to fill the posts, be they AOs or professional staff.

6. The proposal was submitted to the Establishment Subcommittee (ESC) and approved by the Finance Committee (FC) on 17 December 2004.

Staffing proposal on handling cross-boundary environmental issues

7. Pursuant to ESC's request, the Administration had reviewed the directorate level input in dealing with cross-boundary environmental issues having regard to the level of responsibility and the expertise required. It was concluded that a dedicated cross-boundary team, comprising an Administrative Officer Grade B and one Principal Environmental Protection Officer, should be set up to follow up on all environmental issues and cooperation programmes agreed with the Mainland authorities. Apart from cross-boundary liaison, the dedicated team was also expected to be proactively involved in the 16 international conventions to which Hong Kong was a party.

8. The Panel was briefed on the relevant staffing proposal in December 2004. While supporting the proposal in general, some members opined that the setting up of a communication network and building up of relations with the Mainland authorities were crucial to effective liaison. Apart from official channels, unofficial exchanges between non-governmental organizations and the Mainland on environmental issues would also act as an additional catalyst in the process. The proposal was submitted to ESC and FC for approval on 19 January and 25 February 2005 respectively.

Sustainable development

9. In July 1996, the Panel was consulted on the proposal to conduct the Study on Sustainable Development (SD) in Hong Kong, which aimed to enable the Government to apply the principles of sustainable development through formulation and implementation of policies, plans and programmes on a corporate basis. FC later approved a commitment of \$40 million for the Study. The report of the Study was issued in August 2000 which recommended, among other things, the establishment of

a Council for Sustainable Development (CSD) to help the Government take better account of sustainable development issues in its decision making. CSD was appointed by the Chief Executive on 1 March 2003. The terms of reference of CSD include, inter alia, the preparation of a sustainable development strategy for Hong Kong that will integrate economic, social and environmental perspective.

10. In November 2004, the Panel received a briefing by CSD on the progress of the engagement process with the aim of involving the community in building a SD strategy for Hong Kong. It was noted that for the initial stage of strategy building, a five-stage “engagement process” would be implemented. Three Pilot Areas, namely, Solid Waste Management, Renewable Energy and Urban Living Space were also identified for the purpose of the first “round” of the engagement process.

11. The Panel generally agreed that the concept of SD should be promoted in Hong Kong, and that community involvement was essential in reaching a consensus for building a long-term SD strategy. Efforts, such as soliciting the support of District Councils to get the message across the territory at the district level, should be made to promote public awareness of SD. Consideration should also be given to including the concept of SD as part of liberal studies in the school curriculum so as to foster the concept in the younger generation. Given the close interaction between Hong Kong and the Mainland, some members emphasized the need for CSD to take into account the economic, planning, transport and population policies of both sides in formulating the SD strategy. A member further pointed out that SD strategy should not be confined to the integration of economic, social and environmental perspectives, and that more emphasis should be placed on political development, social responsibility etc.

Air

12. The deteriorating air quality in Hong Kong was high on the agenda of the Panel. In October 2004, the Panel received a briefing on the different strategies adopted in addressing regional air pollution and roadside pollution caused by local vehicles.

13. On regional air pollution, the Panel agreed that the problem could not be resolved by the Hong Kong Special Administrative Region (HKSAR) Government alone since the air quality of Hong Kong was increasingly affected by the rapid economic and industrial development in the Pearl River Delta (PRD) Region. While noting that the HKSAR Government and the Guangdong Provincial Government had drawn up the PRD Regional Air Quality Management Plan with a view to meeting the emission reduction targets agreed by both sides, some members were not optimistic that these targets could be met because many industrial activities in the Mainland did not abide by the environmental laws. They considered it necessary for the PRD Air Quality Management and Monitoring Special Panel set up under the Hong Kong/Guangdong Joint Working Group on Sustainable Development and Environmental Protection to follow up on the tasks under the Management Plan. The Administration should also explain to the public the bases upon which the emission reduction targets were arrived at and the means to achieve these targets. More

scientific methods, such as satellite mapping and remote sensing, should be used to forecast pollution and to trace the pollution sources more accurately to enhance control.

14. The Panel noted that emissions from power plants were a major source of air pollution. In Hong Kong, nuclear energy, coal and natural gas had more or less the same share in power generation in the past. However, more reliance on coal was seen nowadays as a result of unstable supply of natural gas. As coal-fired power generation was very polluting, members opined that the two power companies should endeavour to control emissions as part of their social and corporate responsibility. The Administration should also liaise with the power companies to work out an economically and environmentally acceptable solution to control emissions from power plants. This might include identifying a suitable storage depot for natural gas to ensure stable supply. To reduce emissions from power plants from the regional perspective, members supported the early implementation of the proposed emissions trading pilot scheme covering power plants in Hong Kong and Guangdong. They also urged the Administration to examine the feasibility of introducing renewable energy on a larger scale in Hong Kong through joint ventures with Mainland counterparts.

15. To reduce roadside pollution caused by local vehicles, members supported the Administration's proposal to implement the Euro IV emissions standards for newly registered light duty vehicles in tandem with the European Union and upgrade the emission standards for diesel private cars to the latest California standards. They however pointed out that the pace of vehicle replacement would be very slow in the absence of incentives. The Administration was urged to re-consider providing financial incentives to encourage the replacement of heavy diesel vehicles upon the implementation of Euro IV emission standards for these vehicles. The Panel also discussed the legislative proposal to require pre-Euro heavy diesel vehicles to be retrofitted with emission reduction devices.

Noise

16. The Panel received a briefing on the progress of the noise mitigation measures for existing roads in December 2004. These measures included the noise barrier retrofit programme, low noise material resurfacing and traffic management schemes. Members held the view that the Administration should expedite the implementation of noise mitigation measures for existing roads having regard to the public health costs related to illness arising from frequent exposure to traffic noise. Apart from using low noise material resurfacing and banning heavy vehicles from using flyovers, some members considered that the Administration should also provide double-glazed windows for the affected residential units as an additional means to mitigate the noise impact. They also pointed out that in planning for noise barriers, the Administration should take into account experience gained from the retrofitting of noise barriers at Tolo Highway, particularly in respect of the aesthetic design of and the need to use transparent materials for the noise barriers.

Waste management

17. There were in existence three landfills to meet the need of waste disposal. They occupied 270 hectares of land and cost \$6 billion to build as well as \$400 million a year to operate. When planned in the 1980s, these landfills were expected to serve the waste disposal need till 2020. However, as the amount of waste requiring disposal had been increasing, the landfills had been filling up much faster than expected. In 2003, about 6.5 million tonnes of waste were disposed of in the three landfills. About 53% of the waste were municipal solid waste (MSW), 38% were construction and demolition (C&D) waste and 9% were special waste such as sludge and animal carcasses. If waste continued to grow at the current trend, the existing landfills would only last for seven to 11 years. In this connection, the Panel conducted a series of meetings to discuss measures to tackle different types of waste, including MSW and C&D waste.

18. On management of C&D materials, it was noted that the construction waste disposal charging scheme, which aimed to provide an economic incentive for developers and construction contractors to reduce C&D materials, would be implemented in the summer of 2005. To enable the implementation of the scheme, the Administration invited bids by tender to set up and operate the sorting facilities for construction waste in February 2005. The outcome was not satisfactory as only four tenders were received and none of them were able to meet all the tender requirements, particularly on the exemption for construction contracts with closing date for submission of tenders earlier than the commencement of the scheme. As such, the Administration had to set up the sorting facilities to ensure timely implementation of the scheme. While the majority of members were in support of the proposal, a member opined that the Administration should take a holistic approach in reviewing the need for the sorting facilities taking into account the decrease in the number of construction projects.

19. Some members expressed concern that the charging scheme was not able to curb the problem of illegal disposal of C&D waste on agricultural land by unscrupulous developers/contractors. The problem was further aggravated as some landowners allowed disposal of C&D waste on their agricultural land under the guise of land filling for profiteering. They therefore considered it necessary for the Administration to set out clear guidelines to differentiate between land filling and fly-tipping activities in order to plug the loophole.

20. Apart from minimizing the generation of C&D materials, members also stressed the need to recycle and reuse these materials. In this connection, the Administration was urged to expedite the review of technical viability of widening the application of recycled materials in building works. The lack of reclamation projects to absorb inert C&D materials as fill materials was another cause of concern. The majority of members therefore welcomed the signing of the Co-operation Agreement on Cross-Boundary Marine Dumping between ETWB and the State Oceanic Administration with a view to identifying reclamation works in the Mainland for reusing the fill materials generated in Hong Kong. A member however was opposed to the export of public fill to the Mainland as this was against international convention

on export of waste to other places for treatment and disposal. He pointed out that the mismatch between supply and demand for public fill materials arose from a lack of coordination among different policy bureaux. Public fill materials could have been put to beneficial use if proper planning had been made on reclamation and excavation works.

21. On management of MSW, members noted that the Administration adopted a three-pronged waste management strategy viz. waste avoidance and minimization; recovery, recycling and reuse; as well as bulk reduction and disposal of unrecyclable waste. As it was not sustainable to dispose of the large volumes of non-recyclable MSW at landfills, alternative waste treatment methods had to be adopted to reduce the volume of waste before final disposal. In April 2002, the Government invited local and overseas companies to propose waste treatment technologies for the development of Integrated Waste Management Facilities (IWMF). Of the 59 submissions received, six major technology types were identified. These included composting, anaerobic digestion, mechanical-biological treatment, incineration, gasification and co-combustion. In view of the far-reaching implications of IWMF, deputations were invited to express their views at the Panel meeting in May 2005.

22. There was general consensus that more should be done in waste reduction and recovery. The Administration was therefore urged to expedite the implementation of the polluter-pays principle and Product Responsibility Schemes for problematic wastes, such as batteries, computer parts and plastic bags as well as establishment of EcoPark. However, there were divergent views on treatment for non-recoverable/recyclable waste. Some deputations agreed that thermal treatment, including incineration, was a possible solution while others expressed reservation at incineration, which in their view was a major source of pollutants, particularly dioxin and flying ash. Noting that the Administration would release a strategy document on MSW management, the Panel passed the following motion -

“that this Panel urges the Administration to include in parallel in the upcoming strategy document on municipal solid waste management a holistic and comprehensive plan, targets and timeframes for measures on waste avoidance and minimization; recovery, recycling and reuse; as well as bulk reduction and disposal of unrecyclable waste.”

23. The Panel received a briefing on the progress of EcoPark at a special meeting in May 2005. It was noted that the basic physical infrastructure of EcoPark would be built and funded by the Capital Works Reserve Fund whereas the operation and management of the completed infrastructure would be entrusted to an operator through leasing or licensing by way of open tender. While supporting the concept of EcoPark to promote the growth of the waste recycling and environmental industry in Hong Kong, members expressed concern about the proposed modus operandi lest the operator might tend to recruit major tenants with a view to profiteering, thereby affecting the opportunity of small local recyclers. The Administration was therefore urged to revert back to the Panel once the detailed tender conditions for the operation and management of EcoPark had been worked out.

24. In the course of examining the funding proposal to carry out feasibility study on extension of the West New Territories (WENT) Landfill, members noted that Tuen Mun residents were strongly opposed to the proposed WENT landfill extensions lest these would further aggravate the hygienic problems associated with the operation of landfills. The proposed extensions would also have adverse impact on the ecological value of the Tsang Tsui Ash Lagoon and the Tsang Tsui Archaeological Site.

Harbour Area Treatment Scheme

25. In June 2004, the Consultation Document for the Harbour Area Treatment Scheme (HATS) Stage 2 was released to gauge public opinions on the Administration's preferred option to expand and upgrade the existing Stonecutters Island Sewage Treatment Works (SCISTW) to provide centralized chemical treatment for sewage from the whole HATS catchment, and to build a new biological treatment plant. In view of the uncertainties about the future population build-up in the harbour area, the high cost and additional land requirement for the biological treatment plant and the water quality to be achieved through the provision of chemical treatment and disinfection for the whole HATS catchment, the Administration recommended that HATS Stage 2 would be built in two phases. Under the first phase (HATS Stage 2A), deep tunnels would be built to bring sewage from the northern and western areas of Hong Kong Island to SCISTW, which would be expanded to provide centralized chemical treatment for all sewage from the whole of the HATS catchment with fast track provision of disinfection. Under the second phase (HATS Stage 2B), a new biological treatment plant would be built on a site adjacent to the existing SCISTW. Given that the consultation period would expire not long after the commencement of the new legislative term, there was concern that newly elected Members might not have sufficient time to get familiar with the issue. At the request of the Panel, the Administration agreed to extend the consultation period for HATS Stage 2 by one month from 20 October to 20 November 2004.

26. At the Panel meeting on 18 November 2004, deputations were invited to express their views on the way forward for HATS Stage 2. The majority of views were in support of the phased implementation of HATS Stage 2, in particular HATS Stage 2A which was essential to collect and treat the remaining sewage from the northern and western Hong Kong. As a large proportion of pollution was from the Pearl River Delta Region, question was raised on the worthiness of HATS Stage 2B in the long run given the substantial investment involved. There were also concerns on the use of chlorination/dechlorination for disinfection and its impact on the marine ecology. The rise in sewage charge after implementation of HATS Stage 2 was another cause of concern.

27. Taking into account views collated during the public consultation exercise, the Administration announced the implementation programme for HATS Stage 2 on 19 April 2005. The Panel subsequently held two meetings to discuss the implementation programme. Given the substantial costs involved in taking forward HATS Stage 2, members reiterated that the Administration should ensure that HATS Stage 2 was imperative and the proposed treatment option was the most cost-effective, and that public money was well spent. Noting that the need for HATS Stage 2B

would be reviewed in 2010, members considered it necessary for the Administration to advise on the criteria and parameters to be adopted in the review. A member also pointed out that in the absence of a total water management strategy, the public would find it hard to accept increases in sewage charges.

New nature conservation policy

28. The Panel received a briefing on the new nature conservation policy and the related implementation programme in November 2004. Members noted that under the new policy, a scoring system was drawn up to assess the relative ecological importance of sites that could not be protected under the existing system so as to facilitate the allocation of the Government's limited resources to the most deserving sites. To encourage landowners to conserve their land of high ecological value, two improvement options, namely management agreement (MA) and public-private partnership (PPP), would be introduced subject to the outcome of a pilot scheme. Under the MA option, non-governmental organizations might apply for funding from the Government for entering into management agreements with the landowners who would be provided with financial incentives in exchange for management rights over their land or their co-operation in enhancing conservation of the sites concerned. Under the PPP option, developments at an agreed scale would be allowed at the less ecologically sensitive portion of a site provided that the developer undertook to conserve and manage the rest of the site that was ecologically more sensitive on a long-term basis.

29. While agreeing to the need to conserve and enhance the natural environment, some members expressed concern that the interests of private landowners would be compromised as they would have no right over the development of their land. This was not only unfair to landowners who were held responsible for conserving the natural environment, which should be the duty of the Government, but also at variance with the people-oriented approach advocated by the Government. There might also be circumstances that a project proponent failed to discharge their responsibility in conserving the sites after the sale of development.

Others

30. The Panel was briefed on the extension of Tai Po Sewage Treatment Works and Peng Chau Sewage Treatment Works Upgrade, composite paper on five sewage collection and treatment schemes, retrofitting of noise barriers on Cheung Pei Shan Road, Tsuen Wan, revision of fees and charges for environment and conservation related services, progress of the restoration of the damaged section of Tung Chung Stream, proposed legislative amendments to the Marine Parks and Marine Reserves Regulation and application of the Convention on Biological Diversity and the Cartagena Protocol on Biosafety to Hong Kong.

31. From October 2004 to July 2005, the Panel held a total of 14 meetings, including one joint meeting with the Panel on Planning, Lands and Works.

**Legislative Council
Panel on Environmental Affairs**

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to environmental and conservation matters.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Legislative Council
Panel on Environmental Affairs**

Membership list

Chairman	Hon CHOY So-yuk, JP
Deputy Chairman	Hon Emily LAU Wai-hing, JP
Members	Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP Hon Martin LEE Chu-ming, SC, JP Hon CHEUNG Man-kwong Hon WONG Yung-kan, JP Hon LAU Kong-wah, JP Hon Miriam LAU Kin-yea, GBS, JP Hon Albert CHAN Wai-yip Hon Audrey EU Yuet-mee, SC, JP Hon LEE Wing-tat Hon Jeffrey LAM Kin-fung, SBS, JP Dr Hon KWOK Ka-ki Hon Patrick LAU Sau-shing, SBS, JP

(Total : 14 Members)

Clerk	Miss Becky YU
Legal Adviser	Miss Monna LAI
Date	1 July 2005