

立法會
Legislative Council

LC Paper No. CB(1) 733/06-07
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 27 November 2006, at 2:30 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon Audrey EU Yuet-mee, SC, JP (Chairman)
Hon Martin LEE Chu-ming, SC, JP
Hon SIN Chung-kai, JP
Hon Miriam LAU Kin-yea, GBS, JP
Hon CHOY So-yuk, JP
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon TAM Heung-man
- Members absent** : Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Hon WONG Yung-kan, JP
Hon LAU Kong-wah, JP
- Public officers attending** : **For item IV**
Environment, Transport and Works Bureau

Dr Sarah LIAO
Secretary

Ms Anissa WONG
Permanent Secretary (Environment)

Environmental Protection Department

Mr Roy TANG
Deputy Director of Environmental Protection (3)

Mr TSE Chin-wan
Assistant Director (Air Policy)

Mr PANG Sik-wing
Principal Environmental Protection Officer
(Air Policy)

For item V

Environmental Protection Department

Mr Roy TANG
Deputy Director of Environmental Protection (3)

Mr TSE Chin-wan
Assistant Director (Air Policy)

Mr MOK Wai-chuen
Principal Environmental Protection Officer (Mobile
Source Control)

For item VI

Environmental Protection Department

Dr Malcolm BROOM
Assistant Director (Water Policy)

Mr David CHAN
Ag Senior Environmental Protection Officer
(Water Policy Division)

Drainage Services Department

Mr TSUI Wai
Assistant Director / Projects and Development

Mr MAK Ka-wai
Chief Engineer / Consultants Management

**Attendance by
invitation**

: For item IV

The University of Hong Kong

Prof Anthony J HEDLEY
Chair Professor

The Hong Kong University of Science and Technology

Prof Alexis LAU Kai-hon
Manager for Environmental Central Facility

The Chinese University of Hong Kong

Prof WONG Tze-wai
Department of Community and Family Medicine

Friends of the Earth (HK)

Mr CHU Hon-keung
Environmental Affairs Manager

Civic Exchange

Dr Bill BARRON
Associate Fellow

The Hong Kong Institution of Engineers

Ir WONG Kwok-lai
President

Clear The Air

Ms Annelise CONNELL
Chairperson

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

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

Miss Mandy POON
Legislative Assistant (1)4

Action

I. Confirmation of minutes

- | | |
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| (LC Paper No. CB(1) 287/06-07 | — Minutes of the special meeting held on 20 October 2006 |
| LC Paper No. CB(1) 329/06-07 | — Minutes of the meeting held on 23 October 2006) |

The minutes of the meetings held on 20 and 23 October 2006 were confirmed.

II. Information paper issued since last meeting

2. Members noted that no information papers had been issued since the last meeting.

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 331/06-07(01) — List of follow-up actions

LC Paper No. CB(1) 331/06-07(02) — List of outstanding items for discussion)

3. Members agreed that the next regular meeting originally scheduled for 19 December 2006 be re-scheduled for Wednesday, 20 December 2006, at 8:30 am to avoid clashing with the meeting of the Public Works Subcommittee on the same day. They also agreed to discuss the following items at the next meeting –

- (a) Proposal of encouraging owners of old diesel commercial vehicles to replace their old vehicles by offering one-off grant; and
- (b) Green measures in the Government

As a cross reference, the Chairman suggested and members agreed that the Administration should be requested to include in the discussion paper for item (a) supplementary information on the effectiveness of the previous one-off grant to encourage diesel public light bus owners to replace their vehicles early with ones that ran on liquefied petroleum gas or electricity.

4. Referring to the list of outstanding items for discussion, members noted that four items had been scheduled for discussion at the meeting in January 2007. To allow sufficient time for deliberation, members agreed that a special meeting might be held as and when necessary.

5. The Chairman reminded members of the following –

- (a) Night Safari at the Kadoorie Farm and Botanic Garden scheduled for Monday, 4 December 2006, at 5:15 pm; and
- (b) Informal meeting with the delegation from Germany on the Exchange on Waste Management Strategies, led by the Parliamentary State Secretary of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety on Friday, 8 December 2006, at 9:00 am.

IV. Review of Air Quality Objectives

Meeting with Professor Anthony J HEDLEY of The University of Hong Kong (HKU)
(LC Paper No. CB(1) 331/06-07(03))

6. Professor Anthony J HEDLEY said that in health-related terms, pollution levels in Hong Kong were extremely high by any criteria. As body tissues were the prime targets for particulates and gaseous pollutants, the burden of illness could be measured by the damage and harm due to the impact of the pollutants. Improvement to health and avoidance of illnesses/premature deaths could be achieved with cleaner air. Professor HEDLEY added that as a public health physician, he was totally dismayed at the Chief Executive's (CE) speech made at the launching of the Hong Kong General Chamber of Commerce Clean Air Charter that Hong Kong was one of the most environmentally friendly places for executives since Hong Kong people's life expectancy was one of the highest in the world. He found the statement misleading and fallacious because overall population life expectancy was more related to employment and income i.e. the higher the Gross Domestic Product per capita, the higher the life expectancy and vice versa. While air pollution would unlikely reverse overall life expectancy, it would certainly slow the progression of gains in longevity. He then drew members' attention to the value of the World Health Organization Air Quality Guidelines (WHO AQGs), which was the most comprehensive system of review of the world's scientific literature on health effects of pollution, part of the benchmarks for the WHO review was based on two selected Hong Kong studies.

(Post-meeting note: Professor HEDLEY's speaking note and presentation materials were circulated under LC Paper No. CB(1) 388/06-07 on 28 November 2006.)

Meeting with Professor Alexis LAU Kai-hon of the Hong Kong University of Science and Technology (HKUST)
(LC Paper No. CB(1) 331/06-07(04))

7. Professor Alexis LAU said that Air Quality Objectives (AQOs) should be set to protect public health. The present AQOs had failed to inform policy makers and the public the true health impact of air pollutants, let alone the current Air Pollution Index (API) derived from these AQOs. There was hence a need to revise the current API according to WHO AQGs for the purpose of air quality management. In view of the difficulties associated with the immediate tightening of AQOs, a study might be required to map out a long-term air quality management strategy, taking into account the cost and benefit analysis of air quality control and the need for reduction in ambient concentration of pollutants. The Environment Impact Assessments (EIA) made under the Environment Impact Assessment Ordinance (Cap. 499) (EIAO) should also be modified to anchor with a set of WHO Interim Targets, rather than the WHO AQGs. He however stressed that for any action plans to be developed, they must have a clear timeframe and be associated with health-based milestones.

Meeting with Professor WONG Tze-wai of the Chinese University of Hong Kong (CUHK)
(LC Paper No. CB(1) 331/06-07(05))

8. Professor WONG Tze-wai pointed out that under the Air Pollution Control Ordinance (Cap. 311) (APCO), AQOs were set to “promote the conservation and best use of air in the public interest”. He considered the aim too vague and all-embracing without specific reference to the protection of public health as in the case of other developed countries. Besides, the AQOs in Hong Kong were established in 1987 on the basis of researches done mainly in the United States and had remained unchanged despite that more stringent criteria had been adopted in many developed countries. He recalled that the Environmental Protection Department (EPD) had set up a Working Group on the Health Effects of Air Pollution in 1997, but not much progress had been made on the review of AQOs. Hence, it might not be useful to spend another 18 months to conduct a further review of AQOs, particularly when reference to research data and standards being adopted by developed countries were readily available. Referring to the CE’s statement about life expectancy in Hong Kong, Professor WONG explained that average life expectancy was calculated based on mortality rates of different age groups. While the low infant and child mortality rates due to the high quality maternal and child health services had a positive effect on life expectancy in Hong Kong, this could not be taken to mean that the older people were not suffering from the adverse effects of air pollution.

Meeting with Friends of the Earth (HK) (FOE)
(LC Paper No. CB(1) 331/06-07(06))

9. Mr CHU Hon-keung said that long life expectancy did not equate with good quality of life as they were two separate issues. The poor air quality had indeed affected public health and had given rise to many health-related problems. A number of business enterprises and executives had since left Hong Kong because of the deteriorating air quality. In order to remain competitive in the Asian market, Hong Kong would need to improve its air quality by tightening the present AQOs which were outdated and failed to meet neither the European Union nor WHO standards. Besides, AQOs would not be meaningful if they were not able to protect public health.

Meeting with Civic Exchange
(LC Paper No. CB(1) 331/06-07(07))

10. Dr Bill BARRON said that the AQOs in Hong Kong were misleading policy makers and the public with regards to the impact of air pollution on public health. As the community was wary that the situation was worse than what the Government was asserting, more objective information on the threats of air pollution on public health should be provided. He said that Hong Kong was exposed to involuntary risks posed by the economic development in the Pearl River Delta (PRD) Region. However, the economic benefits gained were outweighed by the price which Hong Kong had to pay in terms of public health. He stressed that the Administration

should make it clear that the purpose of AQOs was for the protection of public health. Meanwhile, interim air quality targets should be set for EIA studies on designated projects with a view to gradually tightening and eventually converging these with health-based AQOs.

Hong Kong Institution of Engineers (HKIE)
(LC Paper No. CB(1) 331/06-07(08))

11. Ir WONG Kwok-lai said that the present AQOs were outdated and fell behind other developed countries in respect of protection of health. Hence, a critical review of AQOs covering both the criteria pollutants and their corresponding quality limits were urgently required to maintain Hong Kong's status as a world class city. In formulating emission controls for the various pollutants, the Government should conduct comprehensive research and studies to ensure that the new AQOs could meet the community's needs and were beneficial to future generations. Since it was the Government's responsibility to constantly maintain the pollutants to a level that was comparable with other developed countries, there was a need for the Administration to provide clear policies and procedures for the public to follow.

Meeting with Clear The Air
(LC Paper No. CB(1) 331/06-07(09))

12. Ms Annelise CONNELL said that the air quality in Hong Kong was so bad that some children suffering from asthma and other respiratory diseases were found to have trouble breathing on certain days with high pollution and had to be admitted to hospitals for treatment. However, the health warning in relation to air pollution given by EPD was very much different from that by the environmental authorities in the United Kingdom. For the same API, the advice given in Hong Kong might be "no action necessary" but the advice given in the United Kingdom could be "the significant health effects may worsen for those who have asthma and other respiratory diseases". Hence, the Government of the Hong Kong Special Administrative Region (HKSARG) should review its AQOs in order to offer the proper health advice. It should also work out the means through which a higher set of AQOs could be achieved within a clearly defined implementation timetable.

13. Members also noted the following submissions from deputations not attending the meeting –

- (a) LC Paper No. CB(1) 331/06-07(10) — Submission from Greenpeace; and
- (b) LC Paper No. CB(1) 331/06-07(11) — Submission from the Advisory Council on the Environment

Meeting with the Administration

(LC Paper No. CB(1) 331/06-07(12))

14. The Secretary for the Environment, Transport and Works (SETW) drew members' attention to the Administration's paper on the review of AQOs which set out the emission reduction measures and the progress of development of a long-term air quality management strategy. She said that following the introduction of AQOs in 1987 and the implementation of various emission reduction measures, including those for reducing sulphur dioxide (SO₂) emissions from industrial operations in 1990, good progress had been achieved in the reduction of total emissions of nitrous oxides, respirable suspended particulates and volatile organic pollutants. Notwithstanding, the visibility was worsening. As recent scientific research findings suggested that particulate matters smaller than 2.5 microns (i.e. PM 2.5) had more direct health effects than those of larger sizes, there was a need to introduce a new set of air quality standards for PM 2.5 and to revise the current air quality guidelines and standards. In this connection, HKSARG had been monitoring the international development on review of AQOs with a view to revising Hong Kong's AQOs from a scientific perspective. However, it would be a challenging task for Hong Kong to adopt the very stringent new WHO AQGs as drastic measures would have to be taken not only in Hong Kong but also the PRD Region which had great influence on the pollution in Hong Kong. Cooperation from the Guangdong Provincial Government was needed to improve regional air quality and the setting up of 2010 emission reduction targets was a step in the right direction. Besides, it would take time for Hong Kong to conduct an in-depth and detailed study to provide the required information and analysis before a new set of AQOs could be worked out with inputs from relevant experts and academics. Public participation would also be engaged on the review of AQOs. Meanwhile, continuing efforts would be made in the reduction of emissions including tackling the sources of PM 2.5, the standards of which had yet to be set.

General discussion

15. Noting that the objective of AQOs under APCO was to "promote the conservation and best use of air in the public interest", Miss TAM Heung-man asked whether this had also taken into account public health as well as economic and technological development. She further enquired whether public health would be given overriding consideration in setting the new AQOs. In response, SETW made reference to section 7(2) of APCO which read "The air quality objectives for any particular air control zone or part thereof shall be the quality which, in the opinion of the Secretary, should be achieved and maintained in order to promote the conservation and best use of air in the zone in the public interest". She said that the provisions empowered her to take into account the protection of public health when deciding on the new AQOs and the actions required to achieve them. By way of illustration, as electricity generation accounted for 92% of the total sulphur dioxide (SO₂) emissions, instead of controlling the concentration levels of pollutants, emission caps for SO₂ had been imposed on power plants to control its total quantities. In setting the new AQOs, the Administration would make reference to international experience and the

guidelines provided by WHO. In fact, WHO had clearly pointed out that the actual AQOs set in each country would vary according to individual local circumstances to balance health risks, technological feasibility, economic considerations as well as other political and social factors.

16. Miss CHOY So-yuk agreed that the study on the review of AQOs should be based on public health consideration only. She pointed out that if implications associated with economic costs, time, collaboration with the Mainland and impacts on other policy areas, such as energy, transportation, industrial development, urban planning and conservation, were to be taken into account in the review of AQOs, the study would take much longer than 18 months. Given the readily available information on AQOs, it would not be difficult for the Administration to set new AQOs if it was committed to do so. She considered it necessary that the new set of AQOs with public health as overriding consideration, coupled with the control on PM 2.5, should be introduced as soon as possible. SETW said that the Administration attached great importance to public health. Although the WHO AQGs were aimed at reducing pollution to the practicable minimum for further protection of public health, they were so stringent that most developed countries would find it difficult to comply with. As such, Hong Kong would need to consider developing a set of practicable and achievable interim targets that could be implemented within a reasonable time frame, taking into account local circumstances.

17. The Chairman sought deputations' views on the setting of interim targets on AQOs and its impact on EIAO. Professor Alexis LAU/HKUST said that there would be substantial impact on the EIA process if Hong Kong were to adopt the more stringent WHO AQGs given the present quality of ambient air. According to the WHO recommendations, consideration should be given to implementing interim targets in a progressive manner in line with European countries, based on a reasonable timeframe and a coordinated action plan. Professor WONG Tze-wai/CUHK pointed out that while WHO had recommended member countries to consider their own circumstances carefully before adopting the new AQOs as statutory standards, this should not be taken to mean that less developed countries should adopt less stringent standards because the impact of poor air quality on health would be the same regardless of whether a country was developed or not. Interim targets would only provide temporary relief. Since the EIA process was meant to assess and reduce the environment impact of projects on the surrounding community, it would not serve the intended purpose if the standards were to be lowered to ensure compliance. In the long term, a set of health-based AQOs should be introduced for the protection of public health. Dr Bill BARRON/Civic Exchange said that the comprehensive study on AQOs to be conducted by the Administration should aim at setting new health-based AQOs using WHO AQGs and revising the API as soon as practicable. Meanwhile, there was a need to introduce realistic interim targets for AQOs so that the public and policy makers would not be misinformed about the seriousness of air quality. Professor HEDLEY/HKU said that measurements in terms of health benefits could be made if interim targets were set as milestones on a strict timeline. He also suggested that an amendment should be made to EIAO to prevent acceptance of any

EIA result which would allow departure from the permissible level of pollution in a particular zone. Ms Annelise CONNELL/Clear The Air was concerned that the current AQOs and API would not be able to force the developers to keep their pollutant levels down and there was hence a need to change the law and introduce interim targets.

18. Through the chair, SETW said that under the existing EIAO, there was a need to assess compliance of AQOs taking into account the latest technological developments in the planning period, as in the case of APCO where the standards of emission control on vehicles and power plants were tightened having regard to the latest advances in technology.

19. Given the long lead time for the introduction of new AQOs, Miss TAM Heung-man enquired about the improvements measures to be taken during the interim. SETW said that there had all along been cross-boundary cooperation in the implementation of emission reduction measures to improve regional air quality. The setting of the 16 air quality monitoring stations had indeed enhanced the transparency on dissemination of information on air quality. In response to Miss CHOY So-yuk's enquiry on how the AQOs in Hong Kong compared with that of the Mainland, SETW advised that there were only some minor differences between the two sets of AQOs. She noted that the Mainland was also studying the applicability of the WHO AQGs, but no definite timeframe had been set.

20. Mr LEE Wing-tat agreed with Professor Anthony HEDLEY that the statement made by CE at the launching of the Clean Air Charter about the present state of the environment was misleading. It would appear to him that the Action Blue Sky Campaign was more of a publicity campaign than an actual implementation plan. He was also concerned about the long lead time for implementation of the new AQOs which would take 18 months for review and another 18 months for finalization before these could come into operation in 2009. Given the urgency to improve air quality, he considered it necessary that the review should be expedited as far as practicable to enable early introduction of the new AQOs, hopefully by late 2007 or early 2008. His views were shared by Miss CHOY So-yuk.

21. SETW said that in launching the Action Blue Sky Campaign, a lot of efforts had been made to educate the public and engage public participation. The Campaign was able to promote public awareness on the need to protect the environment as evidenced by the various programmes organized by different organizations, including the competitions to reduce electricity consumption. She added that while the tightening of AQOs would provide for enhanced health warning to the public, there were other factors that had to be taken into account. At present, Hong Kong and its neighbouring cities like Singapore and Seoul were adopting a similar set of API. If Hong Kong were to adopt a much more stringent set of API, this might give the wrong impression that Hong Kong's air quality was worse than its counterparts in Asia. Therefore, in setting a new set of AQOs, there was a need to ensure that the system of reporting air quality should be comparable to other neighbouring cities to enable a fair comparison as otherwise, Hong Kong would be losing its competitiveness.

22. Given CE's complacency with the environment in Hong Kong, Mr Martin LEE enquired whether SETW would withdraw her earlier statement that "air pollution was the number one enemy of the Hong Kong people". SETW said that she had all along been committed to abating the problem of air pollution as evidenced by the many efforts, including the introduction of a package of measures to reduce emissions from vehicles and power plants over the past 10 years, and the cooperation with the Mainland authorities, to improve both local and regional air quality. Despite the Administration's efforts to improve air quality, Mr LEE noted with concern that the air quality was deteriorating, possibly due to the increased industrialization in the PRD region. There was hence a need for more vigorous measures to resolve the air pollution problem and the Government should not be overly complacent with the present situation.

23. Miss TAM Heung-man noted that EPD had established a Working Group on the Health Effects of Air Pollution (the Working Group) in 1997 to review AQOs, but no report on the progress was made available. She therefore queried the efficacy of the steering committee to be set up in 2007 to conduct the comprehensive study on the review of AQOs in 2007. Miss CHOY So-yuk also enquired whether experts and academics would be invited to participate in the study and whether consultants would be engaged for the purpose.

24. The Assistant Director of Environmental Protection (Air Policy) (ADEP(AP)) advised that the Working Group had conducted a 18-month review of the adequacy of existing AQOs. While agreeing that AQOs should be tightened taking into account the economic and technological development in Hong Kong, the Working Group did not make any recommendation on how and to what extent AQOs should be tightened. At the same time, the United States and European countries were reviewing their AQOs. However, the introduction of a new standard for PM 2.5 by the United States Environmental Protection Agency in 1997 had led to a series of litigation, which had been dragged on until 2005. Under such circumstances, HKSARG had decided to withhold the review of AQOs pending the outcome of reviews of AQOs in other countries. Notwithstanding, measures such as control over vehicle emissions and the setting of 2010 emission reduction targets had been taken to improve air quality during the interim. Following the formulation of guidelines on the control of PM 2.5 by the United States authorities in September 2006 and the introduction of WHO AQGs in October 2006, the Administration considered it opportune to review the existing AQOs based on the available information. The Permanent Secretary for the Environment, Transport and Works (Environment) added that the Administration was in the process of finalizing the details for tendering of the study. To ensure that the study would be properly conducted, a steering committee comprising representatives from the relevant policy bureaux and departments, members of the Advisory Council on the Environment as well as relevant experts and academics would be set up.

25. Through the chair, Professor WONG Tze-wai/CUHK said that the Working Group was chaired by ADEP(AP) and Professor Anthony HEDLEY and himself were

members of the Working Group. They had jointly compiled a comprehensive report on the health effects of air pollution following the 18-month study. While the Working Group had not set out the standards of AQOs to be attained, the Administration was expected to follow up on the report of the Working Group.

Admin 26. At the Chairman's request, the Administration agreed to provide the study brief on the comprehensive study on the review of AQOs as well as the interim measures to be undertaken to abate air pollution pending the outcome of the review.

V. Tax incentives to promote the use of environment friendly cars

(LC Paper No. CB(1) 331/06-07(13) — Paper provided by the Administration

LC Paper No. CB(1) 364/06-07(01) — Submission from Clear The Air)

27. The Deputy Director of Environmental Protection (3) (DDEP(3)) briefed members on the Administration's proposal to promote the use of environment friendly cars by way of tax concession. He said that following the announcement on the proposal in the 2006-2007 Policy Address, the Administration had held meetings with the affected trades, including the Right Hand Drive Motors Association (Hong Kong) Limited which represented parallel importers, and reached consensus on the principles for setting fuel efficiency averages of different private car classes.

28. Noting that the fuel efficiency limits would be progressively tightened taking into account the average fuel performance of vehicle models imported into Hong Kong, Ms Miriam LAU was concerned that vehicle owners who had placed orders for environment friendly vehicles based on the prevailing fuel efficiency limits might not be able to benefit from the tax concession when the said limits were subsequently tightened upon the arrival of the vehicles. DDEP(3) assured members that this would not be the case. He said that the fuel efficiency limits would remain in force until 31 March 2008 and tightening would then be made on 1 April 2008 taking into account the average fuel performance of vehicle models imported into Hong Kong up to 31 December 2007. Ms LAU was concerned about the cost effectiveness of the proposed incentive scheme since some environmental groups had pointed out that there would not be much environmental gain from the use of hybrid vehicles. DDEP(3) said that the provision of tax incentives would encourage more vehicle owners to switch to environment friendly vehicles with less emissions, thereby providing cumulative benefits to the environment.

29. Miss CHOY So-yuk questioned why the qualifying standards for environment friendly cars were set with reference to the weight rather than the horsepower and/or capacity of the vehicle. Ms Miriam LAU noted that vehicle owners would be interested to know the vehicle types/models which complied with the qualifying standards for environment friendly cars. She asked when the list of type-approved vehicles would be made available for public reference given that the scheme would be launched on 1 April 2007, and that vehicle owners would need time to place their

orders. DDEP(3) explained that it was customary for the vehicle trades to classify the fuel efficiency of vehicles by weight rather than by horsepower. The qualifying standards for environment friendly cars, which required that the emissions were 50% and fuel efficiency 40% better than the average of the vehicle weight class, would be applicable to hybrid vehicles and conventional vehicles. However, there was a need to gather more information in this aspect before the list of type-approved environment friendly models was publicized in late March 2007. As the scheme would not have any retrospective effect, it would not make any difference if the list was publicized earlier. Given that the scheme was announced in October 2006, Ms LAU held the view that the Administration should have been able to release the list of type-approved models to facilitate vehicle suppliers to arrange for more of such models for sale in Hong Kong. She hoped that the list could be made available as soon as possible, preferably by late January 2007.

30. Miss CHOY So-yuk noted that when government vehicles were due for replacement, priority would be given to replacement vehicles which could meet the specified qualifying standards, taking into account the operational requirements and the need to ensure rational utilization of resources. She sought elaboration on the criteria which the Government Logistics Department (GLD) would adopt in procuring replacement vehicles. DDEP(3) said that the same subject was raised at the special Panel meeting on 20 October 2006. Given the limited availability of hybrid models in the market, the replacement of the entire government fleet with these vehicles might have the disadvantage of stereotyping which might jeopardize certain government operations, particularly those undercover operations by law enforcement agencies. Notwithstanding, the Administration would try to replace existing small and medium sized vehicles used for general purposes with environment friendly models when their service lives were due to expire. However, this might not be applicable to special purpose vehicles, such as government trucks for delivery of goods, where suitable environment friendly models were not available in the market. He added that while GLD was well aware of the requirement to replace the government fleet with environment friendly vehicles, it had to ensure the rational utilization of resources as well. The Chairman said that the Government should have regard to the environmental performance of the vehicles rather than the rational utilization of resources in replacing the government vehicle fleet.

31. Mr LEE Wing-tat was concerned about the higher maintenance cost of environment friendly cars, particularly in relation to cost of parts. He was given to understand that the cost of replacing a battery for a hybrid vehicle was \$40,000 while the same for a conventional vehicle was only \$400. If this was the case, the public should be made aware of the high repair and maintenance costs for environment friendly vehicles. DDEP(3) said that the Electrical and Mechanical Services Department had embarked on a two-year study on the trial of hybrid vehicles on 1 April 2005. The interim findings of the study as at June 2006 showed that the repair and maintenance cost of hybrid vehicles was no different from that of conventional vehicles. The information on overseas experience in using hybrid vehicles provided by vehicle suppliers also showed that the batteries for hybrid

vehicles were able to last for the entire service lives of the vehicles. The Principal Environmental Protection Officer (Mobile Source Control) added that the batteries for hybrid vehicles were specially designed to store electricity for the operation of the vehicles. Hence, they had to be long lasting in order to serve the vehicles for their entire service lives, estimated at about seven to eight years, depending on the mileage/condition of the vehicle.

32. In concluding, the Chairman said that the Panel did not object to the funding proposal being submitted to the Finance Committee (FC) for consideration.

VI. 4339DS – North District Sewerage Stage 1 Phases 2B and 2C and Stage 2 Phase 1

(LC Paper No. CB(1) 331/06-07(14) — Paper provided by the Administration)

33. The Assistant Director of Drainage Services (Projects and Development) gave a power-point presentation on the Administration's proposal to upgrade part of 4339DS – North District Sewerage Stage 1 Phases 2B and 2C and Stage 2 Phase 1 to Category A at an estimated cost of \$130 million in money-of-the-day prices. The proposal would be submitted to the Public Works Subcommittee (PWSC) for consideration and later to FC for approval.

34. The Chairman asked and members agreed that the Administration could submit the proposal to PWSC for consideration.

VII. Any other business

35. There being no other business, the meeting ended at 4:25 pm.