

For information
On 12 June 2008

Legislative Council

House Committee Subcommittee on the Sewage Services (Trade Effluent Surcharge)
(Amendment) Regulation 2008

Supplementary Note on Further Follow-up Action Arising from the discussion
at the meeting on 2 and 3 June 2008

Purpose

At the meetings of the Subcommittee on the Sewage Services (Trade Effluent Surcharge) (Amendment) Regulation 2008 held on 2 and 3 June 2008, Members requested the Administration, among other things, to consider extending the validity of a reassessed COD value/trade effluent surcharge (TES) rate from two years to three years. This note provides the Administration's response to that suggestion.

Background

2. In order to encourage operators with good pollution control practices to seek reassessment of applicable TES rates, the Administration introduced the *Sewage Services (Trade Effluent Surcharge) (Amendment) Regulation 2007* in April 2007, which was approved by the Legislative Council, to extend the period during which a re-assessed TES rate is effective from one year to two years. The Administration also amended the Technical Memorandum to reduce the number of specified sampling days for establishments whose discharged COD load is less than 50 kg / day from three to two. Both these measures should help reduce the reassessment costs and encourage more operators to implement good pollution control practices and apply for reassessment.

The Government's Response

3. In light of the discussions at the Subcommittee meetings held on 2 and 3 June, the Administration has carefully considered the suggestion from Members to

extend the validity of a reassessed COD value/trade effluent surcharge (TES) rate from two years to three years. There is a need to ensure that the operators will sustain the efforts to implement good pollution control practices, while minimizing the cost of reassessment without compromising the principles of polluters-pay and full cost recovery. On balance and having regard to the views of Members, the Administration agrees to extend the validity period from 2 years to 3 years. We would keep the new arrangement under review, closely monitor the situation and take appropriate action as and when necessary.

4. The Administration will move a motion to amend the validity period from two years to three years.

Environmental Protection Department
Drainage Services Department
June 2008