

立法會
Legislative Council

LC Paper No. CB(1) 1215/07-08
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by the Administration)

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Panel on Environmental Affairs

Minutes of meeting
held on Monday, 25 February 2008, at 1:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon Audrey EU Yuet-mee, SC, JP (Chairman)
Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon Martin LEE Chu-ming, SC, JP
Hon SIN Chung-kai, SBS, JP
Hon WONG Yung-kan, SBS, JP
Hon Howard YOUNG, SBS, JP
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon CHOY So-yuk, JP
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Mrs Anson CHAN, GBM, JP

Member absent : Hon CHEUNG Hok-ming, SBS, JP

Public officers attending : **For item IV**

Environment Bureau

Ms Anissa WONG
Permanent Secretary for the Environment

Environmental Protection Department

Mr Raymond FAN
Deputy Director of Environmental Protection (2)

Mr Alfred LEE
Assistant Director (Waste Management Policy)

Dr Lawrence WONG
Principal Environmental Protection Officer (Waste
Reduction)

Buildings Department

Mr S T LAM
Assistant Director/Support

For item V

Environment Bureau

Mr Edward YAU
Secretary for the Environment

Environmental Protection Department

Mr Carlson K S CHAN
Deputy Director of Environmental Protection (3)

Miss Mary TSANG
Assistant Director of Environmental Protection
(Cross-Boundary & International)

Mr Dave HO
Principal Environmental Protection Officer
(Air Science)

Dr Shermann FONG
Senior Environmental Protection Officer (Cross-Boundary
and International) 3

For item VI

Environmental Protection Department

Dr Ellen CHAN
Assistant Director (Environmental Infrastructure)

Mr Maurice YEUNG
Principal Environmental Protection Officer (Assessment
and Noise)

Mr Alex NG
Principal Environmental Protection Officer (Special Waste
and Landfill Restoration)

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

- (LC Paper No. CB(1) 842/07-08 — Minutes of the special meeting held on 8 January 2008
LC Paper No. CB(1) 843/07-08 — Minutes of the special meeting held on 16 January 2008)

The minutes of the special meetings held on 8 and 16 January 2008 were confirmed.

II. Information paper issued since last meeting

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

LC Paper No. CB(1) 801/07-08(01) — Administration's response to a submission from Green Sense regarding disposal of used televisions

LC Paper No. CB(1) 875/07-08(01) — Submission from Friends of the Earth (HK) regarding light nuisance

III. Items for discussion at the next meeting

- (LC Paper No. CB(1) 844/07-08(01) — List of follow-up actions
LC Paper No. CB(1) 844/07-08(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following subjects at the next regular meeting scheduled for Tuesday, 18 March 2008, from 4:30 pm to 7:30 pm-

- (a) Progress of implementation of the new nature conservation policy; and
- (b) Proposed additional “Designated Areas” under the Noise Control Ordinance (Cap. 400)

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, item (a) was subsequently replaced by “Tax incentives to promote the use of environment-friendly commercial vehicles” and “Review of Trade Effluent Surcharge rates”.)

4. Ir Dr Raymond HO asked if the impacts of road traffic noise on commercial and business districts could be included in the discussion of item (b). The Chairman advised that the subject was more related to "Progress of measures to mitigate road traffic noise" scheduled for discussion by the Panel in April 2008. The Administration could be requested to include in the relevant discussion paper measures to address Ir Dr HO's concerns. Ms Emily LAU requested that the discussion paper should also address a suggestion of providing double-glazed windows for households affected by road traffic noise.

IV. Update on the progress of the key initiatives in the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)"

- Proposed mandatory provision of refuse storage and material recovery room on each floor of new residential buildings
- Site selection for the development of the Integrated Waste Management Facilities (IWMF)

(LC Paper No. CB(1) 724/07-08(01) — Administration's paper on site selection for the development of the integrated waste management facilities

LC Paper No. CB(1) 844/07-08(03) — Administration's paper on update on the progress of the key initiatives in the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)"

LC Paper No. CB(1) 844/07-08(04) — Paper on management of municipal solid waste in Hong Kong prepared by the Legislative Council Secretariat (Background brief)

5. The Permanent Secretary for the Environment (PS(Env)) updated members on the progress of the key initiatives in the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)" (Policy Framework) by highlighting the salient points of the information papers. The Principal Environmental Protection Officer (Waste Reduction) (PEPO(WR)) explained the proposed mandatory provision of refuse storage and material recovery room on each floor of new residential buildings.

Site selection for the development of the Integrated Waste Management Facilities

6. Ir Dr Raymond HO said that he had all along disapproved of the use of landfills for the disposal of municipal solid waste (MSW). However, very little progress had been made on the use of thermal technologies in the treatment of waste in Hong Kong. He considered that more should be done to convince the public of the advantages of using non-polluting incinerators as a means of waste treatment. He said that he had visited some incinerators in Europe during the overseas duty visit conducted by the Panel in 2001. These incinerators were found to be very clean and emission-free and their operation had not adversely affected the neighbouring

community. PS(Env) agreed that many overseas countries were adopting incineration for waste treatment as the present day incineration technology was able to meet very tight emission standards with little or virtually no impact on the surrounding environment. She said that the Administration had been conducting studies on the use of thermal technologies in the treatment of waste. A comprehensive site selection exercise was conducted to identify potential sites in Hong Kong for developing the first phase of IWMF. The outcome of the exercise concluded that the sites at Shek Kwu Chau and Tsang Tsui Ash Lagoons were suitable for consideration. Detailed engineering and Environmental Impact Assessment (EIA) studies for the two potential sites would be conducted to determine their technical feasibility and environmental acceptability. The target timeframe was to complete the detailed engineering and EIA studies in 2010 for commissioning in 2014/2015. In view of the overall size of MSW in Hong Kong and the consideration of operating IMWF with a reasonable scale so as to achieve good economy of scale, it was proposed that the first phase would have a treatment capacity of 3,000 tonnes per day (tpd). Meanwhile, the public would be apprised of the need for IWMF and the latest development in incineration technology. Ir Dr Raymond HO said that local expertise should be engaged in the development of IWMF. More efforts should also be made on waste reduction.

7. Ms Emily LAU said that in assessing the overall score of the two potential sites for IWMF, more emphasis should be put on the health impact of the facilities on the neighbouring community, which was of most concern to the public. It was disappointed that such information was not available in the Administration's paper. She further queried if studies on the cumulative air quality impact on air sensitive receivers had been conducted. In response, PS(Env) said that the paper had set out the assessment results of the site search conducted by consultants. The search attempted to identify potential sites all over Hong Kong, taking into account environmental, technical, engineering and economical considerations. Detailed EIA and engineering studies on the two potential sites would be conducted and the cumulative air quality impact would be included in these studies. An open and transparent approach would be adopted in the EIA process which would take about 18 months to complete. The Administration would launch a public engagement process and maintain close liaison with relevant District Councils, local community and other stakeholders to gauge views on matters of public concern. She added that incineration was a proven technology and overseas experience had revealed that the use of modern day incinerators would have no adverse health impact on the surrounding community. Besides, the incinerators to be used in Hong Kong were expected to meet very stringent emission standards, including dioxin. It had been shown that with the use of extremely high temperature coupled with rapid cooling, the generation of dioxin from incineration could be prevented. The Deputy Director of Environmental Protection (2) (DDEP(2)) said that at the earlier Panel meetings, the Administration had discussed with members the different options of thermal technologies and their emissions and air quality impacts. He said that the present day incineration technology was able to control dioxin emissions to minimize any health impact on the surrounding community. He would be pleased to provide such information for members' reference.

8. Mr LAU Kong-wah noted that the incinerators proposed to be built in Hong Kong would be quite different from those he had visited in 2006 during the Panel's

overseas duty visit to Tokyo. The incinerators in Tokyo were comparatively smaller in scale serving a small community and not in close proximity to power plants. However, the potential site at the Tsang Tsui Ash Lagoons was very close to power plants and would likely have cumulative impact on air quality which would not only affect Tuen Mun New Town but also the whole of Hong Kong. Tuen Mun residents were also concerned about the nuisance arising from the transport of MSW to IWMF. Given the cumulative air quality impact had yet to be assessed, Mr LAU considered it too premature for the Administration to consult members on IWMF. PS(Env) said that two potential sites had been identified for the development of IWMF. The consultants had analyzed the advantages and the disadvantages of these two sites. The Tsang Tsui Ash Lagoons, which was located right next to the West New Territories Landfill, could achieve a synergy effect in terms of operational advantages in sharing existing infrastructures and disposing of ash residues. A decision on the choice of site would be made after a careful study on the environment impact. The Administration would consult the relevant district councils on the proposed IWMF.

9. On the concern about potential nuisance arising from the transport of MSW to IWMF, DDEP(2) said that this should not be a problem because marine transport would be the primary means for delivering the waste to IWMF. As regards the concern about the release of dioxin from incineration, PS(Env) reiterated that the present incineration technology was very advanced and would not give rise to adverse impact on the neighbouring community. DDEP(2) supplemented that the present European Union (EU) emission standard for dioxin was 0.1 nanogram per cubic meter. The Chemical Waste Treatment Centre at Tsing Yi was able to achieve an emission standard of 0.001 nanogram per cubic meter, which was much lower than the EU standard. It was expected that the emission level of dioxin would be even lower with the use of more advanced incineration technology in IWMF.

10. Mr Jeffrey LAM said that Members of the Liberal Party supported that more should be done in recycling of industrial waste and source separation of domestic waste. While supporting the use of thermal technologies for MSW treatment, he enquired if the choice of treatment option at the proposed IWMF would take into account the studies made earlier by the Administration, including the co-combustion option in the manufacture of cement. He considered it necessary for the Administration to provide more information on the thermal technology to be adopted at IWMF. He was also concerned about cost implications associated with the transport of waste to IWMF in the long run. DDEP(2) said that in deciding on the choice of thermal treatment, the Administration would take into account the different available treatment methods, their safety and emission standards as well as health impacts on the surrounding community. Similar consideration would be applied in deciding the choice of site for IWMF. The EIA and detailed engineering studies would recommend the most advanced technology which would best suit the needs of Hong Kong. Cost assessment on the transport of waste would also be considered. Members would be apprised of the thermal technology which would be applied at IWMF.

11. Mr Jeffrey LAM further enquired if more incinerators would be built following the completion of the proposed IWMF and if so, whether these would be located on the same site. DDEP(2) clarified that not all the waste generated would be

incinerated. The proposed incinerator to be built would only have a treatment capacity of 3 000 tpd as opposed to 9 000 tonnes of waste to be treated each day. On the need for subsequent phases of IWMF, PS(Env) said that this would depend on the progress of various waste management initiatives and the recycling rates of waste in Hong Kong. Meanwhile, no additional space had been earmarked for the subsequent phases of IWMF.

12. Miss CHOY So-yuk expressed disappointment at the strategy for the management of MSW which in her view, lacked the needed commitment. She failed to understand why the Environment Bureau, which was established to implement environmental protection policies, could have taken such a major retrogressive step in tackling the MSW problem. She recalled that when the incineration option was first proposed, the Administration intended to provide for an incinerator with a capacity of about 2 000 tpd to complement other measures to reduce and recycle waste. As it turned out, the Administration was now proposing to build an incinerator with a capacity of 3 000 tpd in the first phase, with subsequent phases likely on the pipe line. With the adoption of the incineration option, the Administration's effort to reduce and recycle waste would be diminished. Mr WONG Yung-kan also expressed concern about the capacity of the incinerator to be built which would likely exceed 3 000 tpd. In response, PS(Env) stressed that incineration was only part of the Government's overall strategy to tackle MSW problem. Other measures, including recycling and reduction of waste, would continue to be implemented. Notwithstanding these ongoing waste reduction and waste recovery initiatives, there would continue to be MSW disposed of by the domestic, commercial and industrial sectors, and the reliance of landfills as the only waste depository facilities could not be sustained.

13. Miss CHOY So-yuk was dissatisfied that the Administration proposed to adopt a flat rate charging scheme for waste collection as this ran contrary to the usual variable rate charging scheme adopted by most countries, which was based on the weight of waste collected. She also noted that apart from the product responsibility scheme (PRS) on plastic shopping bags, no similar schemes were introduced on waste tyres and other products. Expressing similar views, Mr Martin LEE said that Members of the Democratic Party were all along supportive of measures to improve the environment as well as the need for definite time frames for implementing these measures. He also enquired about the timeframe for the MSW charging scheme.

14. PS(Env) said that both the flat rate and variable charging schemes were adopted by many overseas countries according to their needs. By way of illustration, some places adopted a flat rate system using proxies such as rates and water consumption as the basis for the determination of waste charges. Others used a waste charging system based on the amount of waste generated. When formulating a MSW charging scheme, there was a need to ensure its practicability. In February 2007, the Administration completed a three-month trial to examine the logistical arrangement for introducing a variable rate charging scheme using designated garbage bags. The findings of the trial had identified a number of practical issues, including fly-tipping and enforcement problems. Drawing reference from overseas experience, it was noted that a key prerequisite for a successful variable rate scheme was the readiness to trace MSW to its source. Given Hong Kong's multi-storey multi-tenant household setting and the prevailing waste collection arrangements, a variable rate charging

scheme would likely give rise to implementation difficulties in terms of ascertaining the amount and sources of MSW on individual household basis. It would be necessary to examine alternative means of charging, such as a fixed charge or flat rate system while building in appropriate incentives to encourage waste reduction and recycling. To take the matter forward, the Administration planned to conduct a comprehensive territory-wide baseline survey to collect information on the waste generation pattern and waste collection modes under different types of buildings and operations. The information collected would form the basis for the development of a MSW charging scheme for domestic and commercial and industrial waste. Other than waste charging, measures such as PRS and public education programmes would be adopted to encourage waste reduction and recycling. The Assistant Director of Environmental Protection (Waste Management Policy) added that the territory-wide baseline survey, which would commence in late 2008, would take about 12 to 18 months to complete. At members' request, the Administration undertook to provide an information paper on the outcome of the trial study and details of the territory-wide baseline survey.

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15. As regards PRS, PS(Env) said that the Eco-responsibility Bill which aimed to provide a legal framework for PRS was being scrutinized by the Legislature. To take forward the first PRS on plastic shopping bags, the Administration had launched a voluntary scheme to solicit public support and to ensure the smooth implementation of the mandatory PRS. Regarding PRS on waste tyres, PS(Env) said that as the number of waste tyres disposed of at landfills had decreased from 17 800 tonnes in 2005 to 4 200 tonnes in 2007, priority should be accorded to other products, such as used electrical and electronic equipment. While supporting environmental protection as well as the polluter-pays principle, Miss CHOY So-yuk said that she was not prepared to support the Administration's proposals which were not in the right direction.

16. Mr Jeffrey LAM enquired about the impacts on ash disposal and the drug rehabilitating centre in the event that Tsang Tsui Ash Lagoons and Shek Kwu Chau were chosen as the site for IWWMF respectively. PS(Env) said that the Tsang Tsui Ash Lagoons were constructed by the China Light and Power Company Limited for storage of pulverized fuel ash generated from the Castle Peak Power Station. The ash lagoons had not reached their designed capacities due to the periodic mining of ash. In case the lagoons were chosen for developing IWWMF, the Government would demand the return of part of the site from the current occupier. As regards the drug rehabilitating centre at Shek Kwu Chau, PS(Env) explained that no reprovisioning was necessary even if Shek Kwu Chau was chosen as the site for IWWMF because the location of the centre would not be required for development. Reclamation would however be needed if IWWMF was to be developed at Shek Kwu Chau.

17. Mr WONG Yung-kan expressed concern about the environmental impacts arising from the provision of IWWMF at Shek Kwu Chau. As a number of major infrastructure projects would be constructed within the vicinity, let alone the subsequent phases of IWWMF, these would have impacts on the navigational safety and fishery resources within the Lantau region. There was a need to carefully assess the cumulative impact. PS(Env) said that the cumulative impact arising from construction projects would be dealt with under the EIA studies and mitigating measures would be applied as appropriate.

18. Ms Emily LAU noted with concern that a large share of obnoxious facilities, including cement factories, steel mills, power plants, EcoPark and aviation fuel facility, was located at Tuen Mun. As such, facilities for the betterment of the district should have been provided. Mr SIN Chung-kai echoed that apart from Tuen Mun, Tsing Yi also had quite a share of obnoxious facilities and the respective District Councils had voiced their objection against any addition of such facilities within these districts. He enquired about the number of obnoxious facilities which were under consideration and their tentative locations. If these unwanted facilities were to be provided within certain districts, consideration should be given to providing in parallel more wanted facilities, including recreational facilities such as swimming pools and sports stadium, for the betterment of these districts. There was a need for the Environment Bureau to line up other bureaux/departments on the concurrent provision of both wanted and unwanted facilities within districts with a view to gaining acceptance from the community. Mr LEE Wing-tat pointed out that many incinerators in Japan were located in urban areas next to recreational complexes. He shared Mr SIN's views that unwanted facilities should be provided with recreational facilities as a package. PS(Env) agreed to the need for an overall review of the land use for the locally unwanted facilities. Members' views would be conveyed to the relevant bureaux/departments for consideration.

Proposed mandatory provision of refuse storage and material recovery room on each floor of new residential buildings

19. Mr LEE Wing-tat questioned why the amendments to the Buildings Ordinance (Cap 123) and its subsidiary legislation in 2000 specifying the provision of suitable refuse storage and material recovery facilities had not been effective in encouraging property developers to provide such facilities even if these could be excluded from the calculation of gross floor area. PEPO(WR) explained that while buildings with floor areas exceeding 1 320 square metres were required under the amended Buildings Ordinance to be installed with refuse storage and material recovery facilities at the ground floor or podium level, the provision of such facilities at each floor of buildings was not mandatory. In fact, few new building developments had been provided with refuse storage and material recovery room on every floor following the amendments made in 2000. Therefore, the Administration proposed to amend the Building (Refuse Storage and Material Recovery Chambers and Refuse Chutes) Regulation (Cap.123H) to mandate the provision of refuse storage and material recovery room on every floor of new domestic buildings and the domestic part of composite buildings, with certain exemptions for small scale developments and buildings intended for use as hotels, guest-houses etc. PEPO(WR) further explained that of the 833 housing estates which had participated in the source separation of domestic waste programme, about 30% of them had been provided with refuse storage and material recovery facilities on each floor of the buildings. Some of them were provided with waste recovery rooms while others could only make use of the space available at the hind staircase. Hence, there was a need to mandate the provision of refuse storage and material recovery room on every floor of new domestic buildings.

20. Mr LEE Wing-tat recalled that as a measure to promote environmental building designs, verandahs and open spaces provided within residential developments

could be exempted from the calculation of gross floor area. It turned out that some developers had abused the arrangement and used the additional space for other purposes. As such, there was a need for the Administration to ensure that the space allocated for refuse storage and material recovery facilities should be used for the said purpose and not any other purposes for the benefit of developers. PEPO(WR) said that visits would be made to check on the progress of source separation of domestic waste in housing estates, and to ensure that the space allocated for refuse storage and material recovery facilities would not be used for other purposes.

21. Noting that the minimum area requirement for the refuse storage and material recovery facilities would be 1.5 metres times 1.5 metres, the Chairman enquired if there was a maximum area allowed for these facilities. PEPO(WR) said that the refuse storage and material recovery facilities could only be used for waste storage/separation and not other purposes. While there was no maximum area being set for the provision of these facilities, the Buildings Department would scrutinize the floor plans of buildings and would not approve the design if it was found that the area assigned for use as refuse storage and material recovery facilities was much larger than necessary.

22. Noting that only a third of the housing estates participating in the source separation of domestic waste programme were provided with refuse storage and material recovery facilities on each floor of the buildings while the rest of the estates would have to rely on facilities provided on the ground floor of the buildings, Ms Miriam LAU supported the proposed amendments to mandate the provision of refuse storage and material recovery room on every floor of new domestic buildings. To facilitate waste separation, consideration could be given to supplying each household with waste segregation bags, so that the waste could be separated for proper disposal. There was also a need for the owners' corporation and/or management companies to encourage residents to separate and dispose of their waste properly in the waste segregation bins, which should be made large enough to accommodate all the waste generated within the estates. PEPO(WR) said that the Administration was aware that the provision of refuse storage and material recovery facilities on the ground floor instead of every floor would cause inconvenience to residents concerned. It had held regular meetings with owners' corporations/management companies on measures to facilitate waste separation. More segregation bins had since been provided in some of the housing developments, with the cost of installation being subsidized by the Environment and Conservation Fund if the estates did not have sufficient funding for these facilities. More efforts would be made to encourage residents to make better use of the segregation bins for separation of waste.

23. Ms Miriam LAU further sought elaboration on the recycling of waste materials collected under the source separation of domestic waste programme. PEPO(WR) said that management companies would enter into contracts with waste recyclers for the collection and recycling of the segregated waste. To reduce the cost of waste collection, recyclers would coordinate the collection of waste from smaller housing estates with that of larger housing estates.

V. Progress of measures to improve air quality

- (LC Paper No. CB(1) 647/07-08(15) — Administration's paper on progress of measures to improve air quality
- LC Paper No. CB(1) 647/07-08(16) — Paper on air pollution control prepared by the Legislative Council Secretariat (Background brief)
- LC Paper No. CB(1) 666/07-08(04) — Report on the Mid-term Review of the Pearl River Regional Air Quality Management Plan)

2010 emission reduction targets

24. Mr LEE Wing-tat was concerned that the efforts made by Hong Kong in reducing emissions were not matched with similar efforts by the Mainland. By way of illustration, Hong Kong had been making good progress in reducing the emissions of nitrogen oxides (NO_x), respirable suspended particulates (RSP) and volatile organic compounds (VOC), except for sulphur dioxide (SO₂) which had increased due to a rise in the use of coal for power generation in recent years. He enquired about the progress made by the Guangdong side in achieving the 2010 emission reduction targets. The Secretary for the Environment (SEN) said that the purpose of setting the 2010 emission reduction targets in 2002 was meant to enhance cooperation from both sides to take forward emission reduction measures to improve air quality. The findings of the Mid-term Review of the Pearl River Delta (PRD) Regional Air Quality Management Plan suggested that with all the planned control measures in place, Hong Kong was on track to achieve the 2010 targets of reducing the levels of pollutants by 20% to 55%. With the rapid economic developments in the PRD Region, the forecast growth in various areas might well have exceeded the estimates made in 2002. There was a need for the Guangdong side to introduce additional measures to meet the targets.

25. The Deputy Director of Environmental Protection (3) (DDEP(3)) supplemented that while SO₂ emissions from Hong Kong had increased by 39% from 1997 to 2003, there had been a decrease in NO_x, RSP and VOC emissions from 10% to 38%. According to the findings of the Mid-term Review, the implementation of the existing preventive and control measures would significantly reduce the emissions of SO₂, NO_x, RSP and VOC in 2010 by 54%, 25%, 58% and 55% respectively compared to 1997 levels which would enable Hong Kong to achieve the emission reduction targets. As for the PRD Economic Zone, the Mid-term Review indicated that the economy and vehicle mileage in the area would increase by 509% and 319% respectively in 2010 compared to the 1997 levels, which far exceeded the assumptions in 2002. Therefore, there was a need to further strengthen control on air pollutant emissions so as to achieve the targets. Apart from the existing measures, the Guangdong side had agreed to implement additional control measures targeting at various emissions sources in the PRD Region. These included installing NO_x removal devices for newly built power plants, tightening emission standards for local boilers, enhancing cleaner production requirement for VOC-containing products, setting limits on the VOC content of consumer products, tightening control on emissions from local vessels, etc. With the implementation of these additional measures, it was anticipated that the emissions of SO₂, NO_x, RSP and VOC in the PRD

Economic Zone would be reduced to levels that would meet the 2010 emission reduction targets.

26. Ms Emily LAU considered it necessary for both sides to provide six-monthly reports on the progress of achievement of the 2010 emission reduction targets to the Panel. SEN said that both sides had jointly compiled a handbook on the methodology and protocols for the preparation of air emission inventory (the Handbook). To reflect more accurately the actual emission situation and provide a consistent basis for comparison, the 1997 emissions were recalculated under the Mid-term Review in accordance with the methodologies enshrined in the Handbook. The Administration would continue to report to the Panel on a six-monthly basis the progress in taking forward the measures for improving air quality. Meanwhile, regular meetings were held with the Guangdong Provincial Government (GPG) on measures to improve regional air quality. DDEP(3) added that while it was the established practice for Hong Kong to update its emission inventories on an annual basis, the Guangdong side did not have similar arrangements given the vast expanse of the PRD Region and the numerous emission sources involved. Notwithstanding, the Administration would relay Ms LAU's request to GPG.

27. Miss CHOY So-yuk was concerned that some enterprises would move further north from the PRD Region because they failed to comply with the environmental requirements. She said that when implementing new environmental legislation in the PRD Region, the authorities should allow for a transitional period to enable the affected industries to adapt to the changes. She added that instead of providing funding to the Hong Kong Productivity Council (HKPC) for the launching of a five-year Cleaner Production Partnership Programme to promote cleaner production (CP) technologies and practices among Hong Kong-owned factories in the PRD Region, consideration should be given to providing direct assistance, such as green loans, to the enterprises to encourage them to adopt cleaner production technologies. SEN explained that the relocation of enterprises away from PRD Region might not be due to failure to comply with the environmental requirements as these were applied nation-wide. There were other factors, such as changes in supporting infrastructure and land uses, affecting the operation of the concerned enterprises which contributed to their decisions to relocate their factories. The five-year Cleaner Production Partnership Programme to be launched by HKPC was meant to assist enterprises in adopting CP technologies and practices. The Programme had received the support of GPG as well as the enterprises. A number of banks were offering loans to the enterprises in developing CP technologies.

28. Miss CHOY So-yuk opined that HKPC should only act as the agent in introducing the needed CP technologies to enterprises and hence the duration of the Programme could be shortened from five years to two years. SEN said that through the Programme, HKPC would provide enterprises with the required technical support and know-how in applying CP technologies and practices, especially those that were specific to particular industry sectors. It would provide on site improvement assessment for about 800 to 1000 factories. To ensure the best use of public money, credible mechanisms on monitoring and control, as well as overall evaluation of effectiveness of improvement projects would be put in place.

Emissions from vehicles and ferries

29. Ms Emily LAU noted that as at November 2007, 3 100 applications had been received under the one-off grants for the replacement of pre-Euro and Euro I commercial diesel vehicles with Euro IV models. She asked if the Administration was satisfied with the response. SEN said that the Administration hoped that all owners of pre-Euro and Euro I commercial diesel vehicles would opt for the scheme. Since most owners would prefer to optimize the service lives of their vehicles, promotional efforts had been stepped up to encourage more owners to apply for the grants before the expiry of the scheme. Subject to the outcome of the scheme, the Administration would decide on further actions to be taken to promote the replacement of polluting vehicles.

30. Ms Miriam LAU enquired if the Administration had ascertained the reasons for the low participation rate in the replacement scheme for pre-Euro and Euro I commercial diesel vehicles. DDEP(3) said that the participation rates of pre-Euro and Euro I tourist buses were higher because business was growing following the economic recovery. Other owners of pre-Euro and Euro I heavy vehicles would likely prefer to maximize the service lives of their vehicles before contemplating the replacement of their vehicles. Ms LAU was also concerned about the low switching rate to hybrid vehicles by private vehicle owners, which might be attributable to the lack of choice of replacement models and/or publicity. She opined that the Administration might need to strengthen its promotional efforts to encourage the switch which would help lower fuel consumption effectively. SEN said that according to statistical information, around one out of seven newly registered vehicles in Hong Kong were entitled to tax reduction under the environment-friendly private vehicle scheme. Notwithstanding, the Government would welcome the introduction of more hybrid vehicles to Hong Kong.

31. Mr Jeffrey LAM noted that some cross-boundary pre-Euro and Euro I commercial diesel vehicle owners in Hong Kong were reluctant to make use of the incentive scheme to replace their vehicles with the cleaner Euro IV models lest they would not be able to use the cheaper diesel available in the Mainland after replacement of their vehicles. He enquired about the progress of talks with the Mainland authorities on the upgrading of fuel standards. Mr LEE Wing-tat was also concerned about the use of low quality vehicul fuel in the Mainland and supported the early upgrading of fuel standards in the Mainland. SEN said that the incentive scheme was meant to encourage the early replacement of pre-Euro and Euro I commercial diesel vehicles with the cleaner Euro IV models. It was worth noting that vehicle owners would prefer to wait for a longer time for replacement in order to maximize the service lives of their vehicles. He added that under the Dutiable Commodities Regulations, the amount of duty-exempted Mainland diesel which a cross-boundary truck could bring into Hong Kong could not exceed approximately 3/4 of the fuel tank capacity. This was meant to prevent drivers from filling their fuel tanks with lower quality diesel from the Mainland. Relevant authorities of both sides maintained close liaison on the control of tailpipe emissions and the upgrading of fuel standards. Meanwhile, the fuel standards had been tightened to Euro III in cities like Guangzhou and Shenzhen. It was expected that the fuel standards would be gradually upgraded across the entire Guangdong Province.

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32. Mr SIN Chung-kai enquired about the measures to prevent drivers of cross-boundary vehicles from filling their tanks with duty-exempted Mainland diesel when returning to Hong Kong. DDEP(3) said that staff of Customs and Excise Department would spot check cross-boundary vehicles to ensure compliance with the Dutiable Commodities Regulations and enforcement actions were taken as necessary. At the Chairman's request, the Administration undertook to provide statistics on the enforcement of the Dutiable Commodities Regulations.

33. Mr Jeffrey LAM noted that there were plans to spell out the specifications for pure biodiesel and biodiesel blended with motor vehicle diesel in the Air Pollution Control (Motor Vehicle Fuel) Regulation (Cap 311L) so as to ensure fuel quality and help control its impact on the environment. He questioned why the relevant legislation could only be introduced in 2009 and not earlier to facilitate the promotion of biodiesel. DDEP(3) clarified that biodiesel was already available in the local market. The purpose of the legislation was to spell out the specifications for pure biodiesel and biodiesel blended with motor vehicle diesel to bring these in line with the European Union (Euro) standards. Besides, while ultra low sulphur diesel blended with up to 5% of biodiesel could be used by most vehicles without causing compatibility problems, any higher percentage might cause possible corrosion problems to the fuel system of certain incompatible vehicles. Hence, there was a need to implement a mandatory labelling requirement at the selling points of motor vehicle diesel having biodiesel content over 5%. This requirement would assist owners in choosing a fuel suitable for their vehicles.

34. Ms Emily LAU enquired about the progress of the trial to encourage ferries to use cleaner fuels. SEN said efforts would be made to reduce the emissions from ferries as far as possible. The Administration had set up a working group comprising relevant bureaux/departments to look into the use of cleaner fuels by ferries. The working group would consider inviting ferry operators to conduct a trial of using cleaner fuels in ferries. The working group would also look into the cost implications of using cleaner fuels on ferry operators.

35. Ms Miriam LAU noted that there was only one ferry operator who was conducting a trial on the use of additives in vessel fuel. To promote the use of cleaner fuel in ferry operation, opportunity should be taken to include in the tender for outlying islands licensed ferry services the requirement to use cleaner fuels. There should be more coordination between the Transport and Housing Bureau and the Environment Bureau in this respect. SEN said that some ferry operators were facing financial difficulties in their operation. Notwithstanding, efforts would be made to identify suitable means to encourage the use of cleaner fuels in ferry operation.

36. Mr WONG Yung-kan said that ferry operators and fishermen had faced great difficulty in their operation because of the surging fuel costs. Consideration should be given to providing assistance to encourage them to use cleaner fuels. SEN said that the Administration would revert back to the Panel on the possible measures to encourage ferry operators to use cleaner fuels in due course.

Development of renewable energy (RE)

37. Mr SIN Chung-kai opined that to promote the development of RE, consideration should be given to establishing matching grants for universities to set up RE generating facilities and/or using the Environment and Conservation Fund (ECF) to finance RE projects. The Government should take the lead by installing RE generation facilities within Government buildings/facilities, such as waste treatment plants. Measures should also be mapped out to encourage developers and/or building owners to install RE generation facilities in their developments. SEN explained the measures which were put in place to promote the development of RE. He said that the two local power companies were encouraged to generate electricity using RE, the rate of return of which was set at 11%. Access to grid connection for RE from other sources had been set out in the new Scheme of Control Agreement (SCA) for the two power companies. It was worth noting that many university campuses were equipped with solar panels to generate electricity for water boilers, and some Government departments like the Electrical and Mechanical Services Department had also installed RE generation facilities. Efforts would be made to install RE generation facilities in schools and public facilities where appropriate. Project proponents could apply for funding from ECF to finance RE projects. While developers/building owners were encouraged to install RE generation facilities in their developments, it was unlikely that these facilities could be able to generate sufficient electricity for meeting the electricity requirements of the buildings in full.

38. Mr WONG Yung-kan was concerned that the off-shore wind farms proposed by the power companies would affect the marine ecology of surrounding waters. SEN said that in deciding on the location of wind farms, consideration would be given to minimizing the effect on the surrounding environment. The China Light and Power Company was conducting a feasibility study of developing an off-shore wind farm at the eastern part of Hong Kong.

Energy efficiency

39. Mrs Anson CHAN enquired about the measures to improve energy efficiency as energy conservation was equally important in reducing emissions and improving air quality. SEN said that the Administration had published a consultation paper on the mandatory implementation of the Building Energy Codes (BECs) for certain new and existing buildings, which aimed to improve energy efficiency of buildings, alleviate global warming and combat air pollution through the installation of energy efficient measures in buildings. As buildings consumed over 80% of electricity used in Hong Kong, it was expected that the proposed mandatory implementation of BECs would reduce about 10% to 15% of energy consumption of buildings covered by the proposed scheme. The Administration had also introduced into the Legislative Council the Energy Efficiency (Labelling of Products) Bill which provided for a mandatory scheme for the labelling of three types of appliances, namely room air conditioners, refrigerating appliances and compact fluorescent lamps, in the initial phase of the scheme. More appliances would be considered for inclusion in the second phase of the scheme. Meanwhile, improvement would be made to the demand side management in electricity generation as suggested by the Council on Sustainable Development. With the agreement of the two power companies as set out in SCAs,

incentives would be provided to encourage consumers to reduce electricity consumption. All the aforementioned measures were expected to be implemented within this or the next legislative session.

40. Miss CHOY So-yuk said that the Administration should work together with property management companies to promote electricity conservation in buildings. With the needed cooperation from consumers, it was hoped that a 30% reduction in electricity consumption could be achieved.

VI. Revision of Fees and Charges under Noise Control Ordinance (Cap. 400) and Merchant Shipping (Prevention and Control of Pollution) (Charges for Discharge of Polluting Waste) Regulation (Cap. 413I)

(LC Paper No. CB(1) 844/07-08(05) — Administration's paper on Noise Control Ordinance (Cap. 400) and Merchant Shipping (Prevention and Control of Pollution) (Charges for Discharge of Polluting Waste) Regulation (Cap. 413I)

41. The Assistant Director of Environmental Protection (Environmental Infrastructure) (ADEP(EI)) briefed members on the proposed revision of fees and charges under the Noise Control Ordinance (Cap. 400) and the Merchant Shipping (Prevention and Control of Pollution) (Charges for Discharge of Polluting Waste) Regulation (Cap. 413I).

42. While not opposing to the proposed revision of fees and charges in accordance with the polluter-pays principle, Mr SIN Chung-kai was concerned that the affected trades would only be aware of the cost implications when the new charges took effect. He urged the Administration to consult the affected trades and address their concerns before implementing the revisions.

Merchant Shipping (Prevention and Control of Pollution) (Charges for Discharge of Polluting Waste) Regulation (Cap 413I)

43. Miss CHOY So-yuk said that she would not object to the proposed revision of fees and charges which was meant to recover the cost for providing the services. She also pointed out that the waste from sea-going ships, which were mainly liquid oil waste and sludge, could in fact be reused after proper treatment. As such, efforts should be made to encourage the recycling of such waste. ADEP(EI) confirmed that the oil and water from liquid oil waste from ships were separated at the Chemical Waste Treatment Centre at Tsing Yi and the oil part was recovered. To ensure quality, the recovered oil was mixed with Bunker C Fuel to form recycled fuel oil for use by ocean going vessels but not vehicle fuel as the latter was subject to a much higher emission standard.

44. Miss CHOY So-yuk asked if consideration would be given to waiving the charges for the collection and disposal of waste oils from ships to prevent illegal dumping of waste oils on the one hand and facilitate recycling on the other.

ADEP(EI) said that the Administration welcomed any ideas which would facilitate the recycling of waste oils from ships as long as the recycling process would not give rise to pollution.

Legislative timetable

45. Noting that the proposed revision of fees and charges would be in the form of subsidiary legislation, the Chairman enquired about the legislative timetable. ADEP(EI) said that the Administration intended to publish the subsidiary legislation in the Gazette in May 2008 for implementation in July 2008. Mr SIN Chung-kai remarked that the negative vetting procedure for the relevant subsidiary legislation should be completed before the last Council meeting on 9 July 2008.

VII. Any other business

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

Council Business Division 1
Legislative Council Secretariat
9 April 2008