

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 2277/07-08  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/EA/1

**Panel on Environmental Affairs**

**Minutes of meeting**  
**held on Monday, 23 June 2008, at 2:30 pm**  
**in Conference Room A of the Legislative Council Building**

**Members present** : Hon Audrey EU Yuet-mee, SC, JP (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 CHOY So-yuk, JP  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon CHEUNG Hok-ming, SBS, JP  
Hon Mrs Anson CHAN, GBM, JP

**Members absent** : Hon Emily LAU Wai-hing, JP (Deputy Chairman)  
Hon LAU Kong-wah, JP  
Hon Miriam LAU Kin-ye, GBS, JP

**Public officers attending** : **For item III**

Environmental Protection Department

Mr Elvis AU  
Assistant Director (Water Policy)

Drainage Services Department

Mr W TSUI  
Assistant Director/Projects & Development

Mr K W MAK  
Chief Engineer/Consultants Management

Mr W C IP  
Chief Engineer/Project Management

**For item IV**

Dr Ellen CHAN  
Assistant Director (Environmental Infrastructure)

Dr Lawrence WONG  
Principal Environmental Protection Officer (Waste Reduction)

**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 and endorsement of the draft report of the Panel for submission to the Legislative Council and matters arising**

- |                                   |   |
|-----------------------------------|---|
| (LC Paper No. CB(1) 1931/07-08    | — Minutes of the special meeting held on 11 April 2008                |
| LC Paper No. CB(1) 1932/07-08(01) | — Draft report of the Panel for submission to the Legislative Council |
| LC Paper No. CB(1) 1932/07-08(02) | — List of follow-up actions   |
| LC Paper No. CB(1) 1932/07-08(03) | — List of outstanding items for discussion)                           |

The minutes of the special meeting held on 11 April 2008 were confirmed.

2. Members endorsed the draft report of the Panel on Environmental Affairs for the current session and authorized the Clerk to revise the report to cover discussion at the current meeting before it was presented to the Council on 2 July 2008.

3. The Chairman reminded members that a special meeting would be held on 30 June 2008 to continue discussion on measures to prevent flytipping.

**II. Information paper issued since last meeting**

4. Members noted that no information paper was issued since the last meeting.

**III. Provision of sewerage in Tolo Harbour, Lam Tsuen, North District, Central and East Kowloon**

(LC Paper No. CB(1) 1932/07-08(04) — Administration's paper on Provision of sewerage in Tolo Harbour, Lam Tsuen, North District, Central and East Kowloon)

5. The Assistant Director of Drainage Services/Projects & Development (ADDS/P&D) gave a power-point presentation on the Administration's proposal of upgrading the following four sewerage projects to Category A -

- (a) Tolo Harbour sewerage of unsewered areas stage 1 phase 2C to provide public sewerage to the unsewered areas in Tolo Harbour;
- (b) Lam Tsuen Valley sewerage to provide trunk sewerage and the associated sewage pumping facilities for groups of villages in Lam Tsuen Valley;
- (c) North District sewerage stage 1 phase 2C and stage 2 phase 1 to provide trunk sewerage and the associated sewage pumping facilities for groups of villages in Kau Lung Hang; and
- (d) Upgrading of Central and East Kowloon sewerage - packages 1 to 4 to upgrade the existing sewers by new sewers in Central and East Kowloon areas.

Tolo Harbour sewerage project

6. Mr Howard YOUNG asked if the Tolo Harbour sewerage project was a prerequisite for the proposed man-made beach at Lung Mei. The Chief Engineer/Consultants Management (CE/CM) explained that the project aimed at providing sewerage connections to 17 unsewered villages, including Lung Mei where the man-made beach was located. The environment impact assessment (EIA) for the man-made beach had been completed and supported by the Advisory Council on the Environment for submission to the Environmental Protection Department for consideration. As set out in the EIA report, efforts would be made to complete at least 60% of the sewerage works for the unsewered villages nearby before the opening of the man-made beach in 2010-2011. The Civil Engineering and Development Department would maintain close liaison with various stakeholders on the proposed provision of the man-made beach. An inter-departmental working group would also be set up to monitor the progress of sewerage connection to the unsewered areas.

7. Miss CHOY So-yuk noted with concern that affected residents had raised objections to the sewerage improvement projects. The Assistant Director of Environmental Protection (Water Policy) (ADEP(WP)) said that the Administration had strengthened communication with affected residents in the implementation of sewerage connection works. ADDS/P&D added that affected residents would be informed of the proposed alignment of the sewerage connections in advance before commencement of works. CE/CM supplemented that rounds of discussions had been held between relevant departments and residents with a view to resolving any objections to the alignment of sewerage connections. So far, satisfactory progress had been made in the connection to the main sewerage network in the unsewered areas in Shatin, Tai Po and Sai Kung.

8. Miss CHOY So yuk enquired whether the additional sewage collected under the Tolo Harbour sewerage project would be treated at the Shatin Sewage Treatment Works (STW) and if so, the level of sewage treatment to be provided. She also enquired about the negotiation on the provision of treated effluent for the cooling system of a commercial enterprise. ADDS/P&D advised that the sewage collected from the Shatin and Tai Po districts would receive secondary treatment and disinfection at the Shatin STW and Tai Po STW respectively. As regards the use of treated effluent, ADDS/P&D said that the negotiation was still underway.

#### Central and East Kowloon sewerage project

9. While supporting the proposed sewerage projects, Mr SIN Chung-kai expressed concern that the additional sewage being collected would have impact on the design capacity of the existing sewerage system. He was also concerned about the traffic impact arising from the construction works of the sewerage project which would span over a period of three and a half years. ADEP(WP) said that the project was part of the Sewerage Master Plans which included proper assessments of the impacts on the capacity and were found in order. ADDS/P&D added that to reduce the traffic impact on the highly developed Central and East Kowloon areas, the sewerage upgrading works would be carried out by phases. Utilities companies as well as the Water Supplies Department would be notified of the sewerage works with a view to coordinating road opening works. CE/CM supplemented that the upgrading works at Central and East Kowloon would take a longer time because some of these works had to be carried out in dry weather. To reduce inconvenience to the public and trades, trenchless method would be adopted where feasible, but this might be more time-consuming. Nevertheless, efforts would be made to expedite the works as far as possible.

10. Mr WONG Yung-kan enquired if the Central and East Kowloon sewerage project was included in the redevelopment plans for Kwun Tong. He also held the view that opportunity should be taken to improve the existing drainage systems. ADDS/P&D confirmed that the existing sewerage system would be improved in line with the latest development of the district. CE/CM said that in planning the sewerage projects for Kwun Tong District, the Drainage Services Department would take into account the redevelopment plans as well as the population intake in the area.

Improvement would be made to existing sewers as necessary. ADEP(WP) added that the demographic growth had been taken into account in working out the Sewerage Master Plans.

Lam Tsuen Valley sewerage project

11. Mr CHEUNG Hok-ming expressed support for the four projects, all of them were essential sewerage infrastructure which should have been provided long ago. Noting that sewerage connections to the main sewer would require land resumption, he enquired about the extent of land resumption involved as such information was not included in the Administration's paper. Given the scale of the projects, he was concerned about the long lead time for land resumption which might affect the timely delivery of these projects. CE/CM said that land resumption was not required for the Lam Tsuen Valley sewerage project at the present stage, but extensive land resumption would be required at a later stage. ADDS/P&D agreed that there were difficulties in arranging for land resumption for the sewerage projects. Consultation with affected residents on the alignment of the sewerage network would be held with a view to expediting the land resumption process by the Lands Department. At members' request, the Administration would provide a supplementary information paper setting out the extent of land resumption necessitated by the four sewerage projects.

Admin

12. While supporting the proposed sewerage projects, Mrs Anson CHAN emphasized the need for coordination among government departments to ensure proper disposal of construction waste arising from the projects. ADDS/P&D said that not much waste would be generated from these sewerage projects since the excavated materials could be used as refilling materials for roads. CE/CM said that the contractors were required to submit for approval a waste management plan, which would include appropriate mitigation measures to avoid, reduce, reuse and recycle inert construction waste. The inert portion would be separated on site and reused as public fill materials. ADEP(WP) added that the disposal of construction waste arising from public works projects was subject to a trip-ticket system.

13. The Chairman held the view that sewerage improvement projects should have been proceeded with more expeditiously given the strong support from members and the public. ADEP(WP) explained that much time had to be spent on consultation with residents and District Councils. Efforts would be made to expedite sewerage projects as far as possible, such as undertaking a number of these projects in tandem. CE/CM added that land resumption for sewerage projects also took a long time. Besides, not all sewerage projects had had the support from residents. By way of illustration, some sewerage projects at North District were not welcomed by a number of villages, and a lot of time and efforts were needed to resolve their objections. ADDS/P&D said that with the Panel's support, the Administration would proceed with the tendering for the four projects so that these projects could be proceeded with expeditiously once funding was approved in the next legislative session.

14. In concluding, the Chairman said that members did not object to the proposal being submitted to PWSC for consideration.

**IV. Progress of development of EcoPark**

(LC Paper No. CB(1) 1932/07-08(05) — Administration's paper on Progress of development of EcoPark

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))

15. The Assistant Director of Environmental Protection (Environmental Infrastructure) (ADEP(EI)) briefed members on the progress of development of the EcoPark by highlighting the salient points in the information paper.

Management

16. Miss CHOY So-yuk supported the establishment of EcoPark to help reduce waste, develop recycling industries and create job opportunities. She was however disappointed at the modus operandi of the EcoPark, which in her view was not able to attract potential tenants as evidenced by the withdrawal and termination of tenancies. Given the difficulties in leasing out the lots in Phase I of the EcoPark, Miss CHOY questioned the need for the management company to hire more than 20 staff to maintain the site when the recycling operations had yet to commence. She also enquired about the management fees being charged by the management company and the source of funding for such fees. The Principal Environmental Protection Officer (Waste Reduction) (PEPO(WR)) said that the management company, Serco Guardian Joint Venture, was required to maintain, manage and market the EcoPark at a monthly fee of about \$600,000 at present payable by the Environmental Protection Department (EPD). The management company had hired 20 staff for the provision of maintenance, cleaning, security control and marketing work. In addition, the staff would also provide support and advisory services to the tenants for setting up their plants. The Chairman enquired how the management fees compared with the rental collected. ADEP(EI) advised that the rental collected for a lot of size between 5 000 to 6 000 square metres would be around \$50,000 to \$80,000, which was below the market rate. The rental collected would become part of Government revenue.

17. Mr SIN Chung-kai was concerned about the viability of the EcoPark under the present modus operandi. He opined that a limited company should be set up to manage and operate the EcoPark as a business enterprise, as in the case of the Tai Po Industrial Estate, such that greater flexibility could be exercised in determining the size and operation of the lots to be leased out. The role of EPD was just to ensure that the operations were of an environmental or recycling nature. Mrs Anson CHAN echoed that the existing approach in managing the EcoPark was like "the blind leading

the blind". She said that if the waste management strategy was aimed at encouraging the development of recycling industries, suitable measures should be adopted to facilitate the recycling operations in the first place. Hence, a review of the management of EcoPark was necessary with a view to attracting more recycling industries. Otherwise, the EcoPark might not be sustainable in the long run. She enquired whether experts in the field had been engaged in the management of EcoPark, and whether overseas experience had been taken into account.

18. ADEP(EI) said that EPD had all along maintained close liaison with the trades and was well aware of their needs for long-term land at affordable costs. EcoPark was set up for the purpose of encouraging investment in more advanced technologies and value-added processes. However, some recycling operations still preferred to stay in premises with short-term tenancies as these enabled greater flexibility. It was hoped that with the success of the recycling operations at EcoPark, recyclers would recognize the benefits which EcoPark would bring.

#### Tenancies of the lots

19. Mr SIN Chung-kai said that the tenancy requirements for EcoPark, including the provision of performance guarantee, were too stringent and had imposed excessive constraints on tenants' cash flow given the limited earnings of recycling operations. While welcoming the review of tenancy requirements for Phase II lots, he pointed out that the use of public tender for leasing of lots might not be appealing to the recycling trades as some of them might not be ready to participate in the public tender at the specified dates. Greater flexibility should be allowed in the leasing process to facilitate participation of interested recycling operators. Mrs Anson CHAN concurred that more proactive approach should be adopted in marketing EcoPark.

20. In response, ADEP(EI) agreed to the need for more flexibility to meet the needs of the recycling industries. Taking into account the experience gained in previous tender exercises for Phase I lots, the Administration was considering to lower the amount of performance guarantee, allow early signing of tenancy agreements, permit operators to process other materials and allow a wider scope of environmental industries in the tender exercise for Phase II lots. The Administration would conduct expression of interest exercises to seek market interest and feedback for establishing environmental and recycling business at EcoPark. Interested parties would be advised to participate in the public tender, which was an open and fair arrangement. ADEP(EI) nevertheless agreed that there were difficulties in the leasing of lots through public tender. To this end, the Administration would adopt a more open and flexible approach in leasing of lots, and was prepared to consider possible alternatives to public tender in consultation with the Independent Commission Against Corruption and relevant parties.

21. Mr SIN Chung-kai further said that apart from developing recycling operations of a larger scale at the EcoPark, consideration should also be given to facilitating the development of small-scale waste recycling operations by making available smaller lots for tender. Miss CHOY So-yuk echoed that more flexibility be

provided in terms of size of lots and the materials to be recycled at the EcoPark. ADEP(EI) said that with the experience gained in previous tender exercises, the Administration agreed that some of the tender requirements should be relaxed to make EcoPark more attractive to the trades. In order to cater for the needs of different recycling operations for different sizes of lots, more flexibility would be provided in the leasing of lots in Phase II of EcoPark. She nevertheless pointed out that some smaller recycling operations, particularly those mainly involved the collection of recyclable materials, would prefer to be located in convenient locations near housing estates and would unlikely choose to relocate to the EcoPark.

22. The Chairman enquired whether the Administration was confident that the lots could all be leased out by late 2008 after adoption of the new measures. ADEP(EI) said that with the return of the Phase II site by the Civil Engineering and Development Department by the end of 2008, EPD would arrange for the leasing of lots by phases. With the commencement of recycling operations under Phase I, it was hoped that more recycling operators would be attracted to start their business at the EcoPark. The Chairman said that there might be a need to invite the recycling operators to express their views on what could be done to improve the attractiveness of EcoPark.

23. Referring to the four lots in Phase I which had been awarded to recycling of waste wood, used cooking oil, computers and plastics, Miss CHOY So-yuk pointed out that only the one involving used cooking oil met with the intended purpose of recycling and reuse, while others merely dealt with the collection of waste materials for export. She expressed grave concern that the latter three operations would import waste materials from other places for export. ADEP(EI) said that it had been set out in the lease agreement that the waste materials to be used for recycling at the EcoPark had to be generated locally. If there was a need for recyclers to import additional waste materials to meet increased production needs or for other reasons, they would need to seek approval from EPD. So far, no such applications had been received from the recycling operations at EcoPark.

24. Miss CHOY So-yuk enquired if assistance would be provided to the tenants in their applications for licences from relevant departments, such as licence from the Fire Services Department for the recycling of used cooking oil. ADEP(EI) answered in the affirmative. In reply to Miss CHOY's further question on whether tenants of EcoPark would require permission from the State Environmental Protection Administration for export of recyclable materials to the Mainland, PEPO(WR) said that for waste plastics, after shredding and pelletization, the pellets could be exported to the Mainland as raw material. For waste wood, permission from the Mainland authority would be needed for exporting wood chips to the Mainland.

25. Miss CHOY So-yuk questioned why no tenders could be invited for recycling of waste tyres as the recyclable materials arising from such operation were in great demand. ADEP(EI) said that the tenancy designated for waste tyres was terminated as the tenant failed to make any progress in setting up the recycling operation and pay the rent. There were stringent requirements for the export of recyclable materials (e.g. rubber crumbs) derived from waste tyres to the Mainland and this might have



explained why local recyclers were not keen in the recycling of waste tyres. Instead of relying on the export of recyclable materials, recyclers were encouraged to re-manufacture products using the recyclable materials.

26. The Chairman opined that more proactive measures, including the use of environmental levy from the producer responsibility scheme on plastic shopping bags, should be adopted to promote recycling industries at EcoPark.

**V. Any other business**

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

Council Business Division 1  
Legislative Council Secretariat  
28 August 2008