

**Panel on Environmental Affairs
Meeting on 18 March 2008**

Review of the generic chemical oxygen demand and Trade Effluent Surcharge rates under the Trade Effluent Surcharge Scheme

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1. CIWEM HK supports the use of Polluter-Pays Principle as an effective tool to increase public environmental awareness and promote at-source pollution control at trades and industries.
2. We concur the policy goal for the TES scheme for achieving full recovery of the attributable operating costs.
3. We also support the Government's initiatives to continue facilitating the trades to adopt pollution control measures vide Workshop and other means.
4. We are disappointed that this review is only limited to the generic COD values of the trades and industries, which are then directly used to determine new TES under this Paper.
5. There is no review of the appropriateness of the selected pollutant parameters and need for additional parameters based on the latest HK treatment requirements and increasing operating cost information. It should be noted that COD values represent wastewater strength in terms of organic matter and correlate with the treatment costs of their removal only.
6. Nutrient removal represents a significant portion of treatment costs in HK secondary treatment works e.g. Sha Tin, Tai Po and Shek Wu Hui. There are both discharge limits on ammonia and nitrogen. There are also proposals to include such control limits in the new Stonecutter Island STW under HATS Stage 2B. Without the measurement of nutrient levels, it may be difficult to justify an equitable share of operating costs among household and industries, because nutrient levels of industrial and trade effluent may vary widely when compared with domestic sewage.

7. The cost formulae for calculating TES based on total and settled COD values were established before full commissioning of Stonecutters Island STW. There is a need for review of the cost formulae taking into account the increasing operating cost information from HK treatment works. Also, there is a need to update the cost formulae based on the already committed new treatment works including sludge treatment facilities.
8. The 30 industries/ trades under study are mostly subsidized/ moved away from Hong Kong or already engaged in peripheral activities. The administration should form a view as to whether the said sectors are still update and representative for the major trade effluent producers in Hong Kong; and what other (new) effluent producing trades that need to be covered under TES.
9. The sole use of COD as indication of wastewater strength is doubtful. Considerations should also be given to other pollutants that consume treatment efforts or other form of environmental costs. Examples include nutrients, persistent chemicals, pharmaceutical /endocrine disrupter residues and so on.
10. We would suggest that the general public should be encouraged to explore ways of using recycled / reclaimed water. The benefits are to reduce total volume of sewage, problems relating to saline sewage & high cost of supplying seawater for toilet flushing.