

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 307/08-09  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/EA/1

**Panel on Environmental Affairs**

**Minutes of meeting**  
**held on Friday, 24 October 2008, at 4:30 pm**  
**in the Chamber of the Legislative Council Building**

- Members present** : Hon Audrey EU Yuet-mee, SC, JP (Chairman)  
Hon CHAN Hak-kan (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon James TO Kun-sun  
Hon WONG Yung-kan, SBS, JP  
Hon LAU Kong-wah, JP  
Hon Miriam LAU Kin-yee, GBS, JP  
Hon Andrew CHENG Kar-foo  
Hon LEE Wing-tat  
Prof Hon Patrick LAU Sau-shing, SBS, JP  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon CHAN Kin-por, JP  
Dr Hon Priscilla LEUNG Mei-fun
- Member attending** : Hon WONG Kwok-hing, MH
- Members absent** : Hon Albert CHAN Wai-yip  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon CHEUNG Hok-ming, SBS, JP
- Public officers attending** : Mr Edward YAU  
Secretary for the Environment
- Ms Anissa WONG  
Permanent Secretary for the Environment
- Mr Roy TANG  
Deputy Secretary for the Environment

Mr Benny WONG  
Deputy Director of Environmental Protection (1)

Mr Albert LAM  
Deputy Director of Environmental Protection (2)

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

Miss Linda CHOY  
Political Assistant to Secretary for the Environment

**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

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- I. Briefing by the Secretary for the Environment on relevant policy initiatives in the Chief Executive's 2008-2009 Policy Address**  
(The 2008-2009 Policy Address – “Policy Agenda”  
Address by the Chief Executive at the Legislative Council meeting on 15 October 2008  
LC Paper No. CB(1) 46/08-09(01) — 2008-2009 Policy Agenda - Policy Initiatives of the Environment Bureau)

The Secretary for the Environment (SEN) briefed members on the policy initiatives of the Environment Bureau in the 2008-2009 Policy Agenda.

Air quality

*Air Quality Objectives*

2. Mr CHAN Kin-por noted that a number of multinational enterprises had relocated their headquarters from Hong Kong to Singapore as a result of the deteriorating air quality in Hong Kong. He expressed concern that Hong Kong would lose its competitiveness as an international financial centre to Singapore. He therefore welcomed the many environmental initiatives in the 2008-2009 Policy Address, and supported the allocation of more resources to improve air quality to enable Hong Kong to regain its competitiveness. SEN recognized the need to

improve air quality in order to maintain Hong Kong's competitiveness. A package of measures, including capping emissions from power plants, encouraging emission reduction from vehicles/vessels and industrial activities, was in place to improve air quality. The Government was also reviewing the Air Quality Objectives (AQOs).

3. Mr LEE Wing-tat held the view that AQO adopted in Hong Kong were outdated and not in line with the guidelines set out by the World Health Organization (WHO), particularly in respect of respirable suspended particulates and sulphur dioxide (SO<sub>2</sub>). SEN said that as stated in the 2008-2009 Policy Address, the Government was reviewing AQOs, and would be adopting targets in stages in line with WHO guidelines to improve air quality in the long run. An extensive public consultation and engagement process would be launched to gauge public views on the findings of the review of AQO, before finalizing the new AQOs as well as the required measures and long-term strategy on air quality management in 2009. As regards SO<sub>2</sub> emission, SEN said that power generation was the major source of SO<sub>2</sub> emission in Hong Kong. Cleaner fuels would have to be used for power generation in order to meet the guidelines set out by WHO in respect to SO<sub>2</sub>.

#### *Development of renewable energy*

4. As the use of renewable energy (RE) would help reduce air pollution, Ir Dr Raymond HO expressed support for the development of RE, particularly in collaboration with the Mainland. Ms Cyd HO also supported for exchanges with Mainland authorities on measures to improve air quality and conserve energy. SEN said that to encourage local power companies to develop RE, a higher permitted rate of return on fixed assets would be applied for investment on RE infrastructure. He also agreed that the feasibility of developing RE in collaboration with the Mainland should be explored, given the space constraints and financial implications on the development of RE in Hong Kong. Meanwhile, methane gas from landfills had been used to generate electricity to support equipment in the site. In addition, photovoltaic panels were installed in some of the Government buildings and the Science Park to use solar energy and to facilitate studies for the development of RE in Hong Kong, which would also include the use of heat from the proposed Integrated Waste Management Facilities to generate electricity. In response to Ir Dr HO's further enquiry on emission trading, SEN said that through the recent amendments to the Air Pollution Control Ordinance (Cap. 311), a platform for emission trading had been set up within the Pearl River Delta Region.

#### *One-off grant scheme for the replacement of pre-Euro and Euro I diesel commercial vehicles*

5. While welcoming the 18-month extension of the application period of the one-off grant scheme for the replacement of pre-Euro diesel commercial vehicles, Mr CHAN Hak-kan held the view that extension was required because owners were reluctant to replace their vehicles due to concern about the high repair and maintenance costs of new vehicles. He enquired whether measures would be taken to ensure affordable repair and maintenance services for the new vehicles. SEN said that there were many factors, such as poor business outlook and economic downturn,

leading to the slow replacement of pre-Euro diesel commercial vehicles. Taking into account the substantial benefits which the replacement of these vehicles would bring to roadside air quality, feedback from the transport trades, and the time required for replacement, the Administration had decided to extend the application period by 18 months from 30 September 2008 to 31 March 2010 to dovetail with the deadline for replacement of Euro I diesel commercial vehicles. As regards the maintenance cost of new vehicles, SEN said that this would unlikely be higher than pre-Euro diesel commercial vehicles. Nevertheless, the Administration was prepared to look into the situation.

6. Mr CHAN Kin-por noted that only \$300 million out of the \$3.2 billion one-off grant to encourage the replacement of pre-Euro and Euro I diesel commercial vehicles had been used, which in his view was far lower than expected. Consideration should be given to providing more incentives to encourage early replacement of these polluting vehicles. He was also concerned about the air pollution problem associated with the bus and vessel fleets in Hong Kong. Expressing similar view, Mr KAM Nai-wai opined that the one-off grant scheme should be extended to cover the more polluting buses. He further enquired about the Government's stance on the bus-bus-interchange schemes, which would effectively reduce the number of polluting buses in busy business districts. SEN said that the provision of more incentives to encourage the replacement of pre-Euro and Euro I diesel commercial vehicles would have cost implications. Ferry companies were being encouraged to use ultra low sulphur diesel (ULSD). In conjunction with the ferry operators, the Administration was working on a trial scheme to test the technical feasibility of using ULSD in domestic ferries. As regards the bus-bus-interchange schemes, SEN said that these fell within the purview of the Transport and Housing Bureau.

### Development of recycling industries

#### *EcoPark*

7. Mr WONG Kwok-hing said that Members belonging to the Hong Kong Federation of Trade Unions were keen to ensure the viability of EcoPark as this would help foster the development of environmental industries, and in turn create more job opportunities for the unskilled workers. He enquired about the progress of EcoPark, particularly on the leasing of lots. SEN said that there were many difficulties and challenges, such as unstable supply of materials and high labour cost, which needed to be overcome in developing environmental industries. At present, four of the six lots in Phase I of the EcoPark had been leased out. The Administration would endeavour to provide the necessary assistance to tenants in setting up their recycling operations.

8. Professor Patrick LAU said that the need for prospective tenants to comply with the many requirements of different departments in setting up their operations was the main reason behind the difficulty in leasing out the EcoPark. There was a need for the Administration to coordinate and streamline these requirements with a view to facilitating the operation of environmental industries. The Permanent Secretary for the Environment (PS(Env)) said that the objective of EcoPark was to provide land at affordable price to encourage the development of value-added environmental

industries in Hong Kong. Assistance had been provided to the operators as appropriate in setting up their operations, such as submission of building plans for approval by the Buildings Department. Of the four lots which had been leased out, three had already obtained the approval from the Buildings Department.

9. Ms Cyd HO enquired about the number of jobs to be created as a result of the development of EcoPark, and the resources to be invested by the Administration on research and development, which was essential in promoting value-added and financially viable environmental industries. She added that enhanced cooperation with the Mainland in the development of environmental industries and the promotion of recycled products was also required. SEN said that about 100 jobs for the unskilled workers were expected to be created by the recycling industries at EcoPark, with priority being accorded to those living in Tuen Mun. The Administration would work together with the trades in promoting environmental industries. It would also cooperate with the Mainland on measures to improve air quality and develop environmental industries. He noted that the Panel was planning a duty visit to the Mainland to exchange views with the relevant authorities on environmental issues of mutual concerns, and undertook that the Administration would render necessary assistance as far as practicable. Regarding investment on research and development, SEN said that the Administration had recently injected \$1 billion into the Environment Conservation Fund to support environmental projects, including research projects. The Chairman said that she had consulted the President of the Legislative Council on the arrangements for the proposed visit. It was agreed that the Secretariat would issue a letter to the relevant Mainland authorities regarding the visit.

10. Noting that recycling operations in some urban areas were a source of nuisance to the neighbouring community, Mr CHAN Hak-kan enquired whether consideration would be given to relocating these operations to EcoPark. SEN said that it would not be possible to house a large number of recycling operations given the scale of EcoPark. Notwithstanding, the Administration would continue to provide short-term tenancies to allow recyclers to continue their operations. Efforts would also be made to mitigate the associated environmental nuisances in collaboration with district councils.

#### *Licensing system for waste recyclers*

11. Mr KAM Nai-wai enquired if consideration could be given to establishing a licensing system for waste recyclers. PS(Env) explained that for ease of collection, most of the waste recyclers in urban district were located in the old districts. Their operations were subject to the control of all relevant environmental/environmental hygiene regulations as all other business undertakings. Enforcement actions would be taken by the Environmental Protection Department and the Food and Environmental Hygiene Department as appropriate if they failed to meet the hygienic standards or caused environmental nuisances to the community. As regards the proposed licensing system, PS(Env) said that this had been discussed by Members and different advisory bodies and dissenting views were recorded. While some were supportive of licensing arrangement, others were concerned that this would have impact on the livelihood of waste recyclers, which were mainly small operators.

Besides, there were financial implications associated with the proposed licensing system.

Energy efficiency and conservation

*District cooling system*

12. Referring to the district cooling system (DCS) to be implemented at the Kai Tak Development, Mr WONG Kwok-hing enquired if studies had been carried out to ascertain its energy efficiency, which was said to be 35% more energy-efficient than conventional air-cooled air-conditioning systems. SEN said that DCS would be a central water-cooling system providing energy-efficient air-conditioning services for public and private non-domestic developments in the Kai Tak Development. While DCS was new to Hong Kong, this had been in use by many other countries in the world. The provision of DCS would obviate the need for developments to install their own cooling systems, and would allow for better use of floor and rooftop space, say green rooftops. Further consultation would need to be held on the charging arrangement for DCS. However, as all the Government, Institutional or Community facilities to be provided at the Kai Tak Development, such as the cruise terminal, would subscribe to the DCS service, it was expected that there would be about 20% to 35% savings in electricity consumption.

13. Ir Dr Raymond HO welcomed the proposed implementation of DCS at the Kai Tak Development since experience in Japan and Singapore showed that the system would not only conserve energy, but also improve the aesthetics of the development. In parallel with the implementation of DCS, the Administration should also review the optimum indoor temperature of 25.5°C, which in his view should be set having regard to the humidity and other weather conditions, as well as the number of people in the premises.

14. Professor Patrick LAU noted that some developments in Hong Kong, including the Science Park, had adopted water-cooled air-conditioning systems. He considered it necessary for the Administration to assess and publicize the cost-effectiveness and energy efficiency performance of these systems to facilitate public understanding on DCS. SEN said that through carbon audits, owners of developments would be able to ascertain the energy savings resulted from the use of more energy-efficient systems. Therefore, he urged owners who had replaced their air-cooling systems with water-cooling systems to conduct carbon audits so that they could identify the savings achieved.

*Carbon audits*

15. Mr LEE Wing-tat held the view that the target of engaging the business sector to conduct carbon audit for over 100 buildings was too low. As commercial buildings in Hong Kong were the major consumers of electricity, he considered it necessary to make it mandatory for them to conduct carbon audit in an attempt to conserve energy and reduce global warming. SEN said that mandatory implementation of carbon audit might not be necessary because consumers would be incentivized to follow suit

when they were made aware of the electricity savings that could be achieved by conducting carbon audit.

*Energy wastage*

16. Mr KAM Nai-wai enquired if legislative control could be introduced to address the nuisance caused by excessive glare from advertisement signboards. SEN said that there were difficulties in controlling the problem through legislation as excessive light intensity could not be easily defined. Notwithstanding, the Government would assess the problem of energy wastage of external lighting and study the feasibility of tackling the problem through legislation as pledged in the 2008-2009 Policy Address. A consultancy study would be carried out to examine the relevant issues, and to draw international experience to assess the feasibility of regulating external lighting by legislation. District councils and stakeholders would be consulted in due course. The Chairman advised that the subject of excessive glare from advertisement signboards had been included in the list of outstanding items for discussion by the Panel.

Green management

17. Dr Priscilla LEUNG declared interest as the Chairperson of Green Council Limited, an organization involved in promoting activities on environmental protection. She opined that the Administration should endeavour to promote green procurement both inside and outside the Government. Amid the financial turmoil, the small and medium enterprises were striving to survive and switching to environmental industries seemed to be a feasible option. She enquired about the assistance which the Government could provide in facilitating the development of environmental industries, which would also create job opportunities. SEN said that the Government had all along been adopting a green procurement policy. With increased awareness on the need to develop a low carbon economy, this would provide good opportunities for enterprises to develop businesses in energy conservation and improving energy efficiency. PS(Env) added that the Government had launched the 2008 Hong Kong Awards for Environmental Excellence in February 2008 to encourage businesses and organizations to adopt green management. The award scheme consisted of two parts, namely the Environmental Labels and Sectoral Awards. Environmental Labels would be granted to participants who had attained a prescribed number of specific environmental goals, while Sectoral Awards would be granted to organizations which had demonstrated all-round and outstanding environmental performance in an annual competition within designated sectors. Responses to the Awards scheme were good and an award presentation ceremony would be held early next year.

**II. Any other business**

18. There being no other business, the meeting ended at 5:30 pm.