

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 31/10-11  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/EA/1

**Panel on Environmental Affairs**

**Minutes of meeting**  
**held on Wednesday, 21 July 2010, at 3:30 pm**  
**in the Chamber of the Legislative Council Building**

- Members present** : Hon Audrey EU Yuet-mee, SC, JP (Chairman)  
Hon James TO Kun-sun  
Hon WONG Yung-kan, SBS, JP  
Hon Andrew CHENG Kar-foo  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Prof Hon Patrick LAU Sau-shing, SBS, JP  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon CHAN Kin-por, JP  
Hon Tanya CHAN  
Hon Albert CHAN Wai-yip
- Members absent** : Hon CHAN Hak-kan (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon Miriam LAU Kin-yeet, GBS, JP  
Hon CHEUNG Hok-ming, GBS, JP
- Public officers attending** : **For item III**  
  
Mr Edward YAU  
Secretary for the Environment  
  
Ms Vivian LAU  
Deputy Secretary for the Environment  
  
Mr Frank CHAN  
Deputy Director of the Electrical and Mechanical Services  
/ Regulatory Services  
Electrical and Mechanical Services Department

Ms Katharine CHOI  
Principal Assistant Secretary for the Environment  
(Energy)

**For item IV**

Mr Edward YAU  
Secretary for the Environment

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

Ms Mary TSANG  
Assistant Director (Cross-Boundary & International)  
Environmental Protection Department

**Attendance by  
Invitation**

**: For item IV**

Civic Exchange

Mr Mike KILBURN  
Environmental Programme Manager

Greenpeace

Ms CHANG Wan-ki  
Campaign Manager

Federation of Hong Kong Industries

Mr Luther WONG  
Vice Chairman of Group 26

Advanced Institute for Contemporary China  
Studies, Hong Kong Baptist University

Dr Karen XU  
Senior Research Management Officer

Hong Kong Polytechnic University

Prof WANG Tao

Advisory Council on the Environment

Prof Paul LAM, JP  
Chairman

Kadoorie Farm and Botanic Garden

Mr WONG Lun-cheong  
Conservation Officer

Clean Air Network

Ms Erica CHAN  
Community Outreach Officer

Association of Engineering Professionals in  
Society Ltd

Ir Dr C W TSO  
Vice Chairman

Graphic Arts Association of Hong Kong

Mr John LEE  
Honorary Chairman

The Hong Kong Institution of Engineers

Ir Dr CHAN Fuk-cheung  
Senior Vice President

Sustainable Fashion Business Consortium

Dr Gordon YEN  
Executive Director

The British Chamber of Commerce

Mr Christopher HAMMERBECK  
Executive Director

Chartered Institution of Water and Environmental  
Management

Dr Anthony MA  
Chairman

Greeners Action

Ms KWOK Ying-ying  
Project Officer

The Hong Kong Polytechnic University

Dr HUNG Wing-tat  
Associate Professor

Hong Kong Environmental Protection Association

Mr FAN Hai-tai  
Chairman

**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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Action

The Chairman said that the meeting had been re-scheduled to start at 3:30 pm since the Administration had advised that the item on "Review of the Technical Memorandum for Allocation of Emission Allowances in respect of Specified Licence" was not ready for discussion.

**I. Confirmation of minutes and matters arising**

(LC Paper No. CB(1) 2563/09-10 — Minutes of the meeting held on  
24 May 2010

LC Paper No. CB(1) 2564/09-10(01) — List of follow-up actions

LC Paper No. CB(1) 2564/09-10(02) — List of outstanding items for  
discussion)

2. The minutes of the meeting held on 24 May 2010 were confirmed.

3. The Chairman drew members' attention to Miss Tanya CHAN's request for holding a joint meeting with the Panel on Development (Dev Panel) to discuss the recent development of a private site at Sai Wan, Sai Kung. Miss Tanya CHAN said that the incident had aroused much public concern about the environmental impacts of the development which was in the proximity of the Sai Kung East Country Park. She considered it necessary that relevant bureaux and departments should be invited to discuss the measures to be taken to conserve and protect areas of ecological importance that were not currently covered by Development Permission Areas. Given that the site concerned was near to a relic site, the Antiquities and Monuments Office should be invited to attend the meeting. Miss CHAN also suggested inviting the owner of the site and/or his representatives as well as interested parties to the meeting.

4. The Chairman said that she had consulted Mr LAU Wong-fat, Chairman of Dev Panel, who had suggested that a joint meeting might not be necessary, and that the Panel on Environmental Affairs (EA Panel) should hold a meeting to invite members of the Dev Panel to attend for discussion. As the subjects of planning and land straddled the purviews of both the Development Bureau and Environment Bureau, Mr Albert CHAN said that he had written to the Chairman of Dev Panel requesting the holding of a joint meeting. Professor Patrick LAU said that as Deputy Chairman of Dev Panel, he held the view that the incident should be jointly discussed by the Dev Panel and EA Panel. Ms Cyd HO and Mr KAM Nai-wai both agreed that a joint meeting should be held to discuss the incident. The Chairman said that she would liaise with the Chairman of Dev Panel on the holding of the joint meeting. Members also agreed that relevant bureaux and departments, as well as the owner of the Sai Wan site and/or his representatives should be invited to the joint meeting.

*(Post-meeting note: With the concurrence of the Chairman of Dev Panel and the Chairman of EA Panel, a joint meeting had been scheduled for 28 July 2010 at 8:30 am.)*

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

5. Members noted the following information paper which had been issued since last meeting -

LC Paper No. CB(1) 2376/09-10(01) — The summary of the Sewage Services Accounts for 2008-2009 and the projection for 2009-2010

## **III. District Cooling System at the Kai Tak Development**

(LC Paper No. CB(1) 2564/09-10(03) — Administration's paper on District Cooling System at the Kai Tak Development

LC Paper No. CB(1) 2564/09-10(04) — Paper on the provision of a District Cooling System at the Kai Tak Development prepared by the Legislative Council Secretariat (updated background brief)

### Relevant paper

(LC Paper No. CB(1) 2324/09-10(05) — Administration's paper on District Cooling System at the Kai Tak Development)

6. The Chairman reminded members that following the discussion on the alternative procurement strategy for the District Cooling System (DCS) at the Kai Tak

Development (KTD) at the meeting on 28 June 2010, the Panel held a closed meeting to discuss information relevant to the tender of DCS at KTD. At members' request, the Administration had provided further information in relation to the project. It had also written to the Finance Committee explaining the revised phasing approach in procuring DCS.

7. Mr KAM Nai-wai said that the Administration should in future provide more information in relation to tender prices. Closed meetings could be held as necessary if such information was considered sensitive or confidential. While supporting the concept of DCS, Members belonging to the Democratic Party remained of the view that the use of "Design, Build and Operate" approach in procuring the DCS development and operation which spanned over a period of more than 10 years was undesirable. He was also concerned that cost of DCS under the revised phasing approach whereby tenders were invited for Phases I and II, to be followed by Phase III at a later stage, would way exceed the original estimate of \$1,671 million. The Chairman said that the Administration would report to the Panel on the tender returns and seek Public Works Subcommittee/Finance Committee's approval for implementing Phases I and II before awarding the respective contracts. Members could further discuss the proposal at that time.

8. Noting that DCS would stand a chance of breaking even within 21 years if all air-conditioned floor of private non-domestic projects in KTD used the DCS service, Mr CHAN Kin-por enquired about the service life of DCS. The Deputy Director of the Electrical and Mechanical Services/Regulatory Services advised that the design service life of DCS was at least 30 years.

9. In concluding, the Chairman said that members did not raise objection to the Administration's plan to conduct the retendering exercise.

#### **IV. Public participation in taking forward the Framework Agreement on Hong Kong/Guangdong Co-operation - Environmental protection and ecology conservation**

##### Meeting with Civic Exchange

10. Mr Mike KILBURN, Environmental Programme Manager, said that the Civic Exchange welcomed the emergence of the Framework Agreement on Hong Kong/Guangdong Co-operation (the Framework Agreement). As there was no control governing the quality of fuel used by the shipping sector in the Pearl River Delta (PRD) Region, marine emissions from container vessels using diesel with high sulphur content were affecting the regional air quality. To this end, the Civic Exchange would propose adopting a phased control on the use of vessel fuels in three stages through mandating the ships at berth to use diesel with 0.1% sulphur content, establishing a low emission zone for the PRD Region, and setting up emission control areas for the whole of China. There was also a need for more discussions on the reliability of the quality and supply of fresh water to Hong Kong from PRD Region.

Meeting with Greenpeace

(LC Paper No. CB(1)1939/09-10(01))

11. While welcoming the signing of the Framework Agreement and the establishment of the Quality Living Area, Ms CHANG Wan-ki, Campaign Manager, said that Greenpeace had identified some inadequacies in the Framework Agreement. These included the lack of concrete targets for improving air quality objectives, drinking water standards, climate change, development of renewable energy, as well as transparency in implementing cross-border environmental initiatives. More efforts should also be made to improve the environmental impact assessment mechanism on a regional basis.

Meeting with Federation of Hong Kong Industries (FHKI)

12. Mr Luther WONG, Vice Chairman, said that FHKI welcomed the signing of the Framework Agreement which had reflected the importance of environmental assets. The Framework Agreement would not only provide a platform to expand the environmental assets to the Guangdong Province, but also enable an exchange of expertise in environmental control within the PRD Region. As a result, more job opportunities would be created in various sectors, including environmental planning, civil and electrical engineering. To promote the development of environmental industries and to provide training for the purpose, consideration should be given to setting up a committee by the Administration.

Meeting with Dr Karen XU, Baptist University

13. Dr Karen XU, Senior Research Management Officer, said that she was pleased with the signing of the Framework Agreement. However, the Framework Agreement did not address the problem of waste management which had become more acute as a result of rapid growth in population and development in Hong Kong. At present, waste generated in Hong Kong was disposed of at landfills. Such an arrangement was not sustainable in the long run and should be replaced by more sustainable means, such as incineration. With the advancement in incineration technology, many developed countries, including Germany, had used incineration in the treatment of waste. In fact, many cities in the PRD Region, such as Shenzhen and Macau, had adopted waste to energy incineration methods to treat waste. For the sake of environmental protection, Hong Kong should also adopt similar waste to energy approach in the treatment of waste.

Meeting with Prof WANG Tao, Hong Kong Polytechnic University

(LC Paper No. CB(1)2564/09-10(07))

14. Prof WANG Tao said that he would strongly support the proposals set out in the Framework Agreement for tackling air pollution. He would look forward to the implementation of the detailed plan. As emissions from the PRD Region had given rise to photochemical smog and hazy weather, there was a need for a systematic and

holistic approach in dealing with the pollution problem. All stakeholders should also join forces in working out a comprehensive strategy to resolve the pollution problem. Close collaboration should be maintained with the Guangdong authorities. Meanwhile, more aggressive emission control should be implemented in Hong Kong to deal with the deterioration in roadside air quality.

Meeting with Advisory Council on the Environment (ACE)  
(LC Paper No. CB(1) 2584/09-10(01))

15. Prof Paul LAM, Chairman, said that ACE welcomed and fully supported the Framework Agreement which defined clearly the development positioning of Hong Kong/Guangdong co-operation, and aimed at improving the regional environmental quality and transforming the PRD region into a Quality Living Area. However, ACE would request -

- (a) a review mechanism to be set up to evaluate the effectiveness of co-operation initiatives on environmental protection and ecology conservation under the Framework Agreement through a set of targets or benchmarks with work plans and time lines;
- (b) the scope of the Framework Agreement to also include low carbon economy, energy plan and supply of clean drinking water and food. The scope of green transport should also cover the wider use of mass transportation system and other environment-friendly modes of transportation, such as cycling;
- (c) more concerted efforts to be made to achieve better results in terms of circular economy through closer co-operation in cross-border recycling of reusable materials;
- (d) the cumulative environmental impacts of cross-boundary infrastructure projects to be considered in a holistic manner through better exchange of information in the context of the Framework Agreement, such as assessment of environmental impacts of cross-boundary projects, ecological enhancement projects, opening up of the Frontier Closed Areas and related development;
- (e) closer co-operation to be established with non-governmental sectors, such as research institutes, environmental industries and non-governmental organizations (NGOs). Existing resources and platforms should be better used to encourage involvement in delivering the Framework Agreement; and
- (f) public education and promotion of green living style to be further strengthened in the PRD area given the increasing affluence in the region.

Meeting with Kadoorie Farm and Botanic Garden (KFBG)  
(LC Paper No. CB(1) 2584/09-10(02))

16. Mr WONG Lun-cheong, Conservation Officer, said that KFBG welcomed the Framework Agreement as it would facilitate communication, coordination and co-operation between Hong Kong and the Mainland in protecting the environment and improving the quality of life. In respect of terrestrial ecology, KFBG would suggest that a timeline should be set for the designation of Robin's Nest as a Country Park and the establishment of wildlife corridors to show the commitment of both sides. As regards wetland ecology, KFBG held the view that a well coordinated wetland monitoring and management plan should be developed for the Mai Po Marshes and Inner Deep Bay which had long been recognized as wetland of international importance. There was also a need to protect Hong Kong's biodiversity against illegal collection of rare species, notably mudskippers, Golden Coin Turtles, incense trees and Buddhist pines, by mainlanders.

Meeting with Clean Air Network (CAN)

17. Ms Erica CHAN, Community Outreach Officer, said that CAN had five points to make in relation to the Framework Agreement-

- (a) statutory control should be introduced to enforce the emission targets set out in the Framework Agreement;
- (b) information on air quality in the PRD Region should be released on a daily basis rather than bi-annual basis to facilitate comparison between both sides;
- (c) factories in the PRD Region should be incentivized (by way of tax incentives) to undertake environmental impact assessments and to make available these assessments for public reference;
- (d) an emission control zone should be set up within PRD mandating vessels to use diesel with a sulphur content of less than 0.15%; and
- (e) local drivers travelling across the border should be incentivized to re-fill their tanks in Hong Kong through the provision of cash coupons to reduce pollution associated with the use of substandard vehicle fuels from the Mainland.

Meeting with Association of Engineering Professionals in Society Ltd (AEPS)  
(LC Paper No. CB(1) 2590/09-10(01))

18. Ir Dr C W TSO, Vice Chairman, said that AEPS welcomed the Framework Agreement. He believed that with the joint efforts of Hong Kong Special Administrative Region Government (HKSARG) and Guangdong Provincial Government (GPG), the 2010 emission reduction targets could be achieved. AEPS

supported the setting of the new Air Quality Objectives (AQO) for Hong Kong using the ultimate targets set out in the World Health Organization Air Quality Guidelines (WHO AQG). There was also a need for active co-operation within the PRD Region in building a low carbon economy to address climate change. Efforts should be stepped up to promote the use of electric vehicles through the provision of financial incentives, such as exemption of first registration tax and toll charges, as well as provision of free road parking space. It should also work closely with GPG to ensure an adequate and safe supply of water to Hong Kong at all times.

#### Meeting with Graphic Arts Association of Hong Kong (GAAHK)

19. Mr John LEE, Honorary Chairman, said that GAAHK fully supported the signing and implementation of the Framework Agreement which would indeed help foster closer co-operation between industrialists in Hong Kong and the Mainland. By way of illustration, with the relocation of most of the larger local printing factories to the Mainland, the advancement in printing technologies had reduced pollution associated with the printing industry. The use of digital printing had also helped reduce wastage. However, more should be done in recycling residue printing ink from printing projects. Assistance from the Administration would be required to help printers in working out a recycling mechanism to maximize the use of residue printing ink to avoid disposal at landfills.

#### Meeting with the Hong Kong Institution of Engineers (HKIE) (LC Paper No. CB(1)2564/09-10(08))

20. Ir Dr CHAN Fuk-cheung, Senior Vice President, said that HKIE supported the Framework Agreement which defined the development positioning of Hong Kong/Guangdong co-operation. Apart from the commitment in achieving the 2010 emission reduction targets, HKIE welcomed the effort to be made by both sides in conducting a joint study on the post-2010 arrangements for emission reduction in the PRD Region. It was hoped that the successful implementation of the Framework Agreement would help achieve AQO in line with WHO AQG. HKIE also supported the expansion of the Cleaner Production Partnership Programme (CPPP) to cover more factories and promotion of wider use of electric vehicles. Closer co-operation was also needed in protecting marine water quality and conserving marine resources.

#### Meeting with Sustainable Fashion Business Consortium (SFBC) (LC Paper No. CB(1)2564/09-10(09))

21. While appreciating HKSARG and GPG's support in taking forward CPPP, Dr Gordon YEN, Executive Director, said that SFBC had the following comments on the Framework Agreement -

- (a) *Reduction of vehicle and vessel emissions* – To reduce vehicle and vessel emissions from unnecessary trips as a result of excessive intermediate product export and re-import, a change in policy and rules was needed to lower the cost and simplify the process for local transaction of bonded

goods among factories in the Guangdong province;

- (b) *Recycling* – A designated waste collection center and a proper recycling supply chain should be established for textile waste. Opportunity should also be taken to raise the quality and value of recycled products;
- (c) *Promoting green production* – To consolidate information on green production programmes recognized by HKSARG and GPG, consideration should be given to setting up a centralized database to facilitate reference by industries in the PRD Region; and
- (d) *Cleaner Production Partnership Programme* – To encourage higher participation and improve effectiveness, CPPP should be enhanced to provide further incentives to enterprises with environmental performance exceeding the targeted level by a certain percentage based on the outcome of post-implementation assessment. Consideration should also be given to extending the coverage of CPPP to include sustainable processes and practices (including training, monitoring and reporting).

Meeting with The British Chamber of Commerce (BCC)

22. Mr Christopher HAMMERBECK, Executive Director, said that BCC welcomed the Framework Agreement. However, there were three aspects viz. air, land and water that needed to be tackled. Concerted efforts were necessary to ensure proper management of water resources, wider use of cleaner energy, reduction of marine and vehicular emissions, as well as protection of ecology through introduction of environmental land policy. Meanwhile, the people of Hong Kong should be encouraged to lead a low carbon living.

Meeting with Chartered Institution of Water and Environmental Management Hong Kong (CIWEMHK)

(LC Paper No. CB(1) 2584/09-10(03))

23. Dr Anthony MA, Chairman, said that CIWEMHK welcomed the Framework Agreement which provided for co-operation between Hong Kong and Guangdong in establishing a Quality Living Area. It also supported the use of cleaner production technologies by enterprises to improve their environmental performance. More funding should be provided to encourage the development of cost-effective environmental solutions, innovative treatment and cleaner production technologies for various kinds of industries. In the context of technical support for energy saving, emission reduction, treatment and reduction of effluent discharges by Hong Kong-owned factories, the Framework Agreement should provide recognition to Hong Kong professional personnel with training experience in design, implementation, operation and maintenance of environmental facilities to facilitate career development in PRD. More efforts should be made in respect of waste management and development of a low carbon economy. The Administration should also elaborate in

more detail how the forthcoming new AQO could fit in the Hong Kong/Guangdong emission reduction plan.

Meeting with Greeners Action (GA)  
(LC Paper No. CB(1) 2590/09-10(02))

24. Ms KWOK Ying-ying, Project Officer, noted that according to the air quality monitoring results for the PRD Region in 2009, the level of specified air pollutants had exceeded the targets. To reduce vehicular emissions, consideration should be given to introducing electronic road pricing and tightening vehicle fuel standards in Hong Kong and Guangdong. The WHO AQG, particularly the standard of PM<sub>2.5</sub>, should be adopted in setting AQO for Hong Kong and Guangdong. The polluter-pays principle should be applied in waste management and more concrete measures, such as municipal waste charging scheme and landfill disposal ban, should be mapped out. To facilitate waste recycling, more waste collection and recycling centres should be set up, particularly for recycling of glass and packaging materials. Concerted efforts were also required to protect the marine resources in the PRD Region.

Meeting with Dr HUNG Wing-tat

25. Dr HUNG Wing-tat, Associate Professor, said that a co-operation mechanism should be established to take forward the Framework Agreement. Apart from Government representatives, NGOs and academics should be invited to participate in the co-operation mechanism. Given that the main theme of the Framework Agreement was to protect the environment and conserve the ecology in the region, baseline studies were crucial in monitoring the progress. Specialized study groups should be engaged to steer and ensure the quality of these studies. On improving air quality, both HKSARG and GPG should mobilize all available resources to achieve the 2010 emission reduction targets and to work out the post-2010 arrangements. Meanwhile, efforts should be made to promote the use of electric vehicles.

Meeting with Hong Kong Environmental Protection Association (HKEPA)

26. Mr FAN Hai-tai, Chairman, said that the Framework Agreement had extended the Quality Living Area in the PRD Region and provided an interactive and win-win situation for both Hong Kong and Guangdong. On CPPP, it was hoped that apart from providing assistance to Hong Kong-owned factories in adopting cleaner production technologies, there would be greater co-operation with Mainland counterparts in an attempt to further improve the environmental performance of various industrial sectors. On air quality, HKEPA hoped that the 2010 emission reduction targets could be achieved, and that the new AQO could be worked out. Efforts should also be made to promote the use of electric vehicles provided that the problem with disposal of used batteries could be resolved. To allow for greater protection of the natural environment and conservation of endangered plant/animal species, consideration should be given to setting up cross-boundary reserve and ecology corridor. Also, there should be more co-operation and exchange of expertise

in taking forward the Framework Agreement.

27. Members also noted the following submissions from deputations not attending the meeting -

LC Paper No. CB(1) 2564/09-10(10) — Submission from Dr YANG Mo, member of the Southern District Council (Chinese version only);

LC Paper No. CB(1) 2564/09-10(11) — Submission from The Conservancy Association (English version only); and

LC Paper No. CB(1) 2590/09-10(03) — Submission from The Chinese Manufacturers' Association of Hong Kong (Chinese version only)

Meeting with the Administration

(LC Paper No. CB(1) 2564/09-10(12) — Paper on Framework Agreement on Hong Kong/Guangdong Co-operation - Environmental protection and ecology conservation prepared by the Legislative Council Secretariat (background brief))

Relevant paper

(LC Paper No. CB(1) 1923/09-10(05) — Administration's paper on Framework Agreement on Hong Kong/Guangdong Co-operation - Environmental protection and ecology conservation)

28. At the Chairman's invitation, the Deputy Director of Environmental Protection (3) (DDEP(3)) responded to the views expressed by deputations. On air quality, he said that the Administration was confident that Hong Kong could achieve the 2010 emission reduction targets. While sulphur dioxide emissions in Hong Kong had yet to meet the reduction target, the situation was expected to be greatly improved following the full commissioning of the desulphurization facilities in local power generation plants in 2010 which were the major source of sulphur dioxide emissions. Meanwhile, Hong Kong and Guangdong were holding discussions on the post-2010 emission reduction arrangements. DDEP(3) added that data gathered from the air quality monitoring network in the PRD Region had been released on a daily basis through the websites of the Hong Kong Environmental Protection Department and the Guangdong Environment Protection Bureau. Reports on regional air quality were also provided on a six-monthly basis. Since the setting up of the air quality monitoring network in 2006, it was noted that the emission levels of nitrogen oxides and respiratory suspended particulates had been reduced while the emission level of sulphur dioxide had been lowered by over 30%. As regards emissions from vehicles and vessels, DDEP(3) said that a package of short to long-term measures had been

proposed in the context of the Review of AQO to tackle the emission problem. A trial scheme on the use of ultra low sulphur diesel by local ferries was being conducted. The Review of AQO also recommended that the feasibility of establishing an emission control area within which ocean-going vessels were required to use low sulphur fuel when entering Hong Kong waters should be explored over the longer term. It was expected that with the provision of tax concession for Euro V diesel and the appreciation of Renminbe, the cost of vehicle fuels in Hong Kong would be more competitive than that in the Mainland. As a result, cross-boundary local drivers would likely fill their tanks in Hong Kong.

29. On CPPP, DDEP(3) noted the suggestions to extend the duration and increase the funding to encourage more Hong Kong-owned factories in PRD Region to adopt cleaner production technologies. He said that a review would be conducted upon completion of the first five-year Programme to identify the improvements that could be made. On water quality, DDEP(3) said that water supply from Dongjiang was able to meet the required standards for potable water. Notwithstanding, efforts had been made to protect the water quality through the use of closed aqueduct in conveying Dongjiang water. Water modelling studies were also carried out in the Pearl River Estuary with a view to reducing the pollution load affecting Deep Bay. The first review of the Regional Water Quality Control Strategy for Mirs Bay was expected to complete by 2011. DDEP(3) added that the Framework Agreement also focused on improving regional environmental quality and transforming the PRD Region into a Quality Living Area. It would also help foster a closer co-operation between both sides in developing a circular economy such that the recyclable waste generated in Hong Kong could be re-used by the manufacturing sectors in Guangdong provided that the necessary requirements were met.

30. Mr CHAN Kin-por enquired about the areas of co-operation between Hong Kong and the Mainland in tackling climate change and extreme weather conditions, including the supply of potable water from Guangdong in times of drought. Expressing similar concerns, Mr KAM Nai-wai sought deputations' view on measures to deal with climate change as this was not covered under the Framework Agreement. Ms CHANG Wan-ki/Greenpeace said that it was hoped that both sides would jointly work out policies and action plans to tackle climate changes and extreme weather conditions. More efforts should also be made to develop renewable energy. The Secretary for the Environment (SEN) said that regional co-operation between both sides would start with the transformation of PRD Region into a Quality Living Area and the development of a low carbon economy. The issue of climate change, including adaptation and mitigation measures, would be looked into at a later stage.

31. The Chairman enquired about the progress made in ensuring a steady supply of natural gas for power generation in Hong Kong. SEN said that with the increased natural gas supply to Hong Kong upon the commissioning of the West-East Natural Gas Pipeline in 2013, the proportion of natural gas in the fuel mix for local electricity generation could be increased from about 30% to 50% or more. The reduction in greenhouse gas resulting from the change in fuel mix would assist in tackling problems associated with climate change.

32. Given that the emission performance of cross-boundary vehicles would be adversely affected if a lower standard of fuel was used, Mr Jeffrey LAM enquired about the progress of tightening the vehicle fuel standards in Guangdong. DDEP(3) acknowledged that there was a disparity in fuel standards between Hong Kong and Guangdong which was adopting the National III standard (equivalent to Euro III standard) as opposed to Euro V in Hong Kong. Efforts had since been made by Guangdong authorities to tighten the standard to National IV, in line with Beijing, subject to availability of steady supply of the fuel. It was expected that some coastal cities like Shenzhen and Guangzhou would adopt National IV standard by 2011. As regards cross-boundary vehicles, DDEP(3) reiterated that drivers would likely opt to have their vehicles refilled in Hong Kong as the fuel cost in Hong Kong was more competitive than the Mainland. The Chairman enquired about the transport arrangements for the Hong Kong-Zhuhai-Macao Bridge in view of the contention over whether right or left-hand drive configuration should apply. SEN said that discussions were underway and consideration would be given to allowing more environment-friendly vehicles to use the Bridge.

33. Mr Jeffrey LAM enquired if the coverage of CPPP could be extended to enable more factories to take part in the Programme, and whether consideration could be given to allowing factories to apply more than once for the funding under CPPP. DDEP(3) said that improvements had been made to CPPP taking into account the views and suggestions from factory owners. In fact, the coverage of CPPP had been extended earlier in the year to include effluent reduction and control, in addition to emission control and energy efficiency. Factory owners could apply for separate funding under CPPP for different aspects of control. They could also apply for funding for both demonstration and verification projects. Applications would be prioritized and those who had already received funding support would be accorded a lower priority in their applications.

34. Mr WONG Yung-kan emphasized the need for concerted efforts to protect the marine ecology, particularly at the coastal areas of Mirs Bay, Deep Bay and Daya Bay. Exemplary efforts should be made by Hong Kong in conserving marine resources, including the development of artificial reefs for the benefit of marine ecology. He enquired about the measures taken by the Administration to protect fishery resources in Hong Kong. SEN said that new measures, such as banning of commercial fishing in marine parks, had been suggested to further enhance the protection of marine resources. At members' request, the Administration undertook to provide a paper on the plans to protect the marine ecology.

35. The Chairman agreed to the need for public engagement in taking forward the Framework Agreement. Mr KAM Nai-wai sought deputations' views on how to proceed with the Framework Agreement. He also stressed the need for greater transparency in data collection for baseline studies. Prof Paul LAM/ACE said that according to his understanding, details of the proposals contained in the Framework Agreement would be worked out by relevant departments and would be made available for public reference. Mr John LEE considered that a mechanism should be established to monitor the performance of both sides. Dr HUNG Wing-tat supported

the need for setting up a standing committee comprising experts in the field to take forward the Framework Agreement. SEN said that the Framework Agreement was a bilateral agreement which required compliance from both sides. The Framework Agreement would serve as an agenda for Hong Kong-Guangdong co-operation, and lay a foundation for both sides in seeking to incorporate the related initiatives into the National 12th Five-year Plan. In addition, the Framework Agreement would support Hong Kong and Guangdong to join hands with Macao to formulate regional co-operation plans on Quality Living Area and Infrastructure Construction. This would help promote regional environmental protection and ecology conservation as well as facilitate the development of a low carbon economy. He said that the Administration would welcome participation of NGOs, academics and the trades in implementing the Framework Agreement.

**V. Any other business**

36. There being no other business, the meeting ended at 5:35 pm.