

立法會
Legislative Council

LC Paper No. CB(1) 1509/10-11
(These minutes have been seen
by the Administration)

Ref : CB1/PL/EA/1

Panel on Environmental Affairs

Minutes of meeting
held on Monday, 24 January 2011, at 2:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon CHAN Hak-kan (Chairman)
Hon Audrey EU Yuet-mee, SC, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon Miriam LAU Kin-yee, GBS, JP
Hon Andrew CHENG Kar-foo
Hon LEE Wing-tat
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon CHEUNG Hok-ming, GBS, 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 IP Wai-ming, MH
Hon Tanya CHAN
Hon Albert CHAN Wai-yip

Member absent : Hon WONG Yung-kan, SBS, JP

Public officers attending : **For item IV**

Mr Edward YAU
Secretary for the Environment

Mr Albert LAM
Deputy Director of Environmental Protection (2)
Environmental Protection Department

Mr Elvis AU
Assistant Director (Nature Conservation &
Infrastructure Planning)
Environmental Protection Department

For item V

Dr Kitty POON
Under Secretary for the Environment

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

Mr MOK Wai-chuen
Assistant Director (Air Policy)
Environmental Protection Department

Mr Edmond HO
Principal Environmental Protection Officer (Mobile
Source Control)
Environmental Protection Department

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) 961/10-11 — Minutes of the meeting held
on 22 November 2010)

The minutes of the meeting held on 22 November 2010 were confirmed.

II. Information paper issued since last meeting

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

LC Paper No. CB(1) 864/10-11(01) — Information paper on "Proposed amendments to the Schedules to the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586)" provided by the Administration)

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 1098/10-11(01) — List of follow-up actions

LC Paper No. CB(1) 1098/10-11(02) — List of outstanding items for discussion)

3. The Chairman advised that the Administration had proposed the following two items for discussion at the next regular meeting scheduled for Monday, 28 February 2011, at 2:30 pm -

- (a) PWP Item No. 818TH - Retrofitting of noise barriers on Tai Po Tai Wo Road; and
- (b) Provision and upgrading of sewerage in Tuen Mun, Lau Fau Shan and East Kowloon.

Following the release of the Consultancy Report – A Study of Climate Change in Hong Kong by the Administration, Miss Tanya CHAN suggested and members agreed that this should also be included for discussion at the next meeting.

4. Mr KAM Nai-wai requested to discuss the impact of construction activities on the conservation of Nan San Wai. The Chairman proposed and members agreed that the subject could be subsumed under "Balance between development and nature conservation" which had already been included in the outstanding list of items to be discussed by the Panel. A joint meeting with the Panel on Development would be held when the item was ready for discussion.

5. Mr IP Wai-ming requested to hold a special meeting to invite deputations to express their views on waste recycling and incineration. The Chairman said that Mr IP's request would be dealt with taking into account the outcome of discussion on waste management under item IV.

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

(Ref: EP 86/03/175A

— The Legislative Council Brief

LC Paper No. CB(1) 1098/10-11(03)

— Paper on management of municipal solid waste in Hong Kong prepared by the Legislative Council Secretariat (updated background brief))

6. The Secretary for the Environment (SEN) said that to tackle the imminent waste problem in Hong Kong, there was a need to expedite the development of modern waste management facilities as otherwise no suitable disposal facilities would be available to handle the waste by 2018. A multi-pronged approach was required to take forward the waste management strategy. While the package of initiatives, including the introduction of modern waste treatment facilities, would help reduce waste and improve recovery target, the extension of landfills should be incorporated as an indispensable element of the waste strategy. The Deputy Director of Environmental Protection (2) (DDEP(2)) gave a power-point presentation on the progress of the key initiatives in the "Policy Framework for the Management of Municipal Solid Waste (2005-2014)".

(Post-meeting note: A set of power-point presentation materials was circulated to members under LC Paper No. CB(1) 1156/10-11(01)) on 25 January 2011.)

Waste reduction and recycling

7. Mr KAM Nai-wai opined that there was no room for complacency over the recovery rate of 49% of municipal solid waste (MSW) given the low target recovery rate of 50% by 2014. He said that Members belonging to the Democratic Party would support the implementation of the Producer Responsibility Schemes (PRS) as well as other measures to reduce waste at source, rather than relying on disposal of waste at landfills. He stressed the need for efforts by the Administration to assist waste recyclers with a view to further reducing MSW. SEN said that a multi-pronged approach was being adopted to take forward the waste management strategy encompassing waste avoidance and minimization; reuse, recovery and recycling; and bulk waste treatment and disposal. The 49% MSW recovery was not low by international standards as shown in the comparison table at Annex B to the Legislative Council Brief. It was hoped that through behavioral changes of the

community and other waste management measures, the MSW recovery rate could be raised to 55% by 2015. Meanwhile, the public would be engaged in a discussion on the objectives of implementing MSW charging, as well as the principles and practicalities of various MSW charging options. Funding would be sought for the development of an integrated waste management facility (IWWMF), an organic waste treatment facility (OWTF) as well as extension of the three landfills.

8. While welcoming the Administration's commitment to raise the target of waste recovery rate to 55% by 2015, Ms Audrey EU noted that no target had been set for waste reduction. She asked if consideration would be given to setting aside funds for each district to promote waste reduction and recycling. SEN said that the achievement of a 49% waste recovery rate had overshoot the target of 45% by 2009 and 50% by 2014 as laid down in the 2005 Policy Framework. He added that waste reduction was more difficult to achieve because it was affected by growth in population and economic activities, as well as the increase in number of tourists visiting Hong Kong. A basket of measures would be applied to further reduce waste. In reply to Ms EU's further enquiry on the timing for the Administration to report on the review of the PRS on Plastic Shopping Bags (PSBs), SEN said that it would be reported during the public consultation exercise on the extension of PRS on PSBs which would be conducted in 2011.

9. Mr Albert CHAN pointed out that Hong Kong was way behind other cities in the management of waste. By way of illustration, the daily waste generation of 1.18 kg per person in Hong Kong was twice as much as that of 0.52 kg in Taiwan and 0.44 kg in South Korea and higher than that of 0.84 kg in Singapore. Even the Mainland was able to significantly reduce waste generation following the introduction of mandatory requirements on waste recycling. He therefore urged the Administration to step up efforts to reduce waste, in particular food waste through composting. He also supported the introduction of policies and legislation to facilitate waste reduction. SEN agreed to the need for more efforts to reduce waste. Various measures had been or being implemented/considered. Regarding the implementation of MSW charging, he opined that associated measures, including empowering waste collectors to refuse collection of waste which had not been properly segregated, should be considered to be introduced to tackle the implementation challenges of MSW charging.

10. Mr IP Wai-ming was disappointed that the Administration had been focusing its attention on waste disposal, including efforts to reduce odour with a view to soliciting support for extension of landfills, rather than the fundamental issue of waste reduction. He considered that a special meeting should be held to discuss waste recycling and incineration, and to invite deputations to express

their views. SEN said that he would be pleased to hold further meetings with members and deputations to exchange views not only on waste reduction and recycling, but the entire waste management strategy which included development of modern waste treatment facilities to manage daily waste generation and extension of landfills.

11. Noting that \$25,505 million had been earmarked for the construction of one IWTF, two OWTF and three landfill extensions, Ms Cyd HO enquired about the resources allocated to waste recycling and reduction. She considered that funds should be provided to the Hong Kong Productivity Council and research institutions to develop waste recycling projects, particularly the recycling of plastics, waste glass and wood into useful materials for export. Mr Jeffrey LAM echoed that more efforts should be made to reduce and recycle waste. SEN said that measures promoting the local recycling operations for waste electrical and electronic equipment (WEEE) would be considered to tie in with the new PRS on WEEE.

12. While supporting the waste management strategy, Mr LEE Wing-tat stressed the need for the Administration to provide more assistance to waste recyclers to facilitate waste reduction and recycling. On MSW charging, he considered that reference should be made to the successful experience of Taipei. However, discussion would need to be held on the charging arrangement to address the concern about double levy as part of the Government rates had been used for waste treatment. The Administration should make it clear to the public that MSW charging was not meant to increase revenue but to reduce waste generation. Concessionary arrangement should be worked out to reduce the impact of MSW charging on low-income families. His views were shared by Mr IP Wai-ming who further pointed out that revenue from the MSW charging scheme should be used to fund environmental initiatives, particularly those carried out within the districts. SEN said that while financial disincentives were effective in encouraging waste reduction and recycling, he assured members that PRS and MSW charging were not meant to generate revenue. The public would be engaged in a discussion of the objectives and practicality of MSW charging within the year.

13. Ms Cyd HO considered that MSW charging should be revenue neutral as the levy collected should be ploughed back to assist the development of waste recycling industries. Miss Tanya CHAN also asked if the environmental levy collected from PRS and MSW charging could be used to set up an environmental fund to assist in the research and development of environmental industries. SEN said that as seen from the PRS on PSBs, the revenue collected from environmental levy was minimal and unlikely to be sufficient to fund environment improvement projects on a large scale. Besides, the use of environmental levy for environmental purposes might give the public the wrong

impression that the payment of levy would contribute to the protection of the environment. Notwithstanding, continued efforts would be made to encourage the development of local recycling industries as this would not only facilitate waste reduction but also create job opportunities for local workers. Apart from setting up local recycling plants for the implementation of the new PRS on WEEE, joint efforts would be made with the Mainland in developing recycling industries across the border.

14. Given that waste from commercial/industrial establishments was rising as a result of increased economic activities while waste from residential developments was decreasing because of increased public awareness on waste reduction and recovery, the Chairman opined that there might be a need to apply a phased approach and/or a separate MSW charging arrangement to cater for the two different scenarios. SEN said that MSW charging would be based on the amount of waste in order to be effective. Details of the charging scheme would need to be worked out carefully taking into account views of the trades and the community.

Package of waste treatment and disposal facilities

15. Mr Andrew CHENG opined that the Administration could not solely rely on the polluter-pays principle and extension of landfills to tackle the waste problem. He enquired if there were research studies conducted on waste-to-energy technology to deal with the ever-increasing volume of waste. SEN said that the Administration had been providing funding for research studies, including those on waste reuse and reduction, such as the manufacture of bricks from waste glass, through the Environment and Conservation Fund (ECF). At Mr CHENG's request, the Administration would provide the list of research projects on waste reuse which were funded by the Administration.

Admin

16. Mr CHAN Kin-por enquired if it was the Administration's plan to build two IWMF, with one at Tuen Mun and the other at Shek Kwu Chau, and if so, the capital investment involved. SEN said that apart from IWMF, the waste management strategy comprised waste reduction and recovery, PRS, Sludge Treatment Facility and OWTF, etc. The design capacity of the first IWMF was only 3 000 tonnes per day. It was obvious that there was still a substantial volume of waste left to be tackled (estimated to be 8 500 tonnes per day) by disposal at landfills. Having regard to the volume of waste generated today, there might be a need for one further IWMF of the capacity of 3 000 tonnes per day. However, the need for a second IWMF would depend on the efforts to reduce waste. It was worth noting that with the commissioning of the Sludge Treatment Facility in 2013, the odour nuisances associated with sludge disposal at landfills would be removed.

17. Ms Miriam LAU expressed concern about the limited capacity of the two OWTF in treating organic waste. While welcoming on-site treatment of food waste, she asked how this could be taken forward, and whether residential estates could be provided with the relevant facilities. Expressing similar views, Mr Jeffrey LAM stressed the need to put in place odour abatement measures for on-site food waste treatment facilities. Miss Tanya CHAN was also concerned about odour nuisances associated with the unloading of food waste at barging points. SEN said that on-site treatment of food waste would help reduce the volume and odour nuisances associated with the transport of food waste for disposal at landfills. This would also enable the recycling of food waste through composting. There had been successful experience in respect of on-site treatment of food waste at some residential developments with the concerted efforts of residents and property management. Meanwhile, the setting up of on-site food waste treatment facilities at markets, shopping malls, catering factories and housing estates was being explored. Through behavioral changes, the community could help assist in the recycling of food waste. The Assistant Director of Environmental Protection (Nature Conservation & Infrastructure Planning) said that the food waste collected from residential developments could be treated and recycled for use as compost. On-site food waste treatment facilities would be provided in some of the Government-owned properties while consideration was being given to a scheme for private residential developments to apply for funding from ECF for the installation of such facilities. Miss CHAN asked if compost generated from food waste could be used in Hong Kong. She held the view that properly processed compost could be exported to overseas countries which had a demand for such materials. SEN said that some waste recyclers had expressed interest in setting up food waste treatment business in Hong Kong.

Landfill extension

18. As the amount of waste disposed of at landfills in Hong Kong was much higher than other cities, Ms Miriam LAU held the view that more efforts should be made to address the problem, particularly when the capacity of the existing South East New Territories (SENT) Landfill would be exhausted by 2014. Noting that Tseung Kwan O residents were unwilling to accept any extension of landfill space and had requested the closure of SENT Landfill by 2013, she was concerned how the Administration could deal with the situation. To reduce the disposal of construction and demolition (C&D) materials at landfills, Mr CHAN Kin-por enquired if the 3 000 tonnes of C&D materials generated per day could be used as fill materials for reclamation projects. SEN advised that C&D materials would be sorted and the inert materials would be reused or stored and used as fill materials for reclamation. Given the limited number of reclamation projects in Hong Kong, the surplus fill materials had been transported to Taishan in the Mainland. Meanwhile, the non-recyclable

construction waste would still have to be disposed of at landfills in Hong Kong.

Legislative timetable

19. In view of the huge financial commitment involved in the development of waste facilities, Mr KAM Nai-wai considered it necessary to expedite the public consultation on various measures, including MSW charging, extension of PRS on PSBs and WEEE, so that the relevant pieces of legislation could be introduced and scrutinized before the expiry of the current Legislative Council term in 2012. SEN said that funding approval for the development of various waste facilities would be sought in 2012. Public consultation on the extension of PRS on PSBs and the engagement with relevant trades on a new PRS on WEEE would be carried out in 2011. The views gathered would be taken into account in drafting the relevant legislation. Meanwhile, the public would be engaged in discussion on MSW charging later in the year. It was hoped that members would support the schemes.

20. Referring to Mr IP Wai-ming's request for discussion of the site selection for the development of IWWMF, the Chairman said that there seemed to be no urgency in discussing the subject as Mr WONG Kwok-hing just raised an oral question on the subject at the Council meeting on 19 January 2011. Members agreed to include the subject in the list of outstanding items for discussion by the Panel. Notwithstanding, the Administration was requested to brief the Panel on the outcome of site selection for the development of IWWMF once available.

V. Trial of hybrid buses by franchised bus companies

(LC Paper No. CB(1) 1098/10-11(04) — Administration's paper on trial of hybrid buses by franchised bus companies

LC Paper No. CB(1) 1098/10-11(05) — Paper on trial of hybrid buses by franchised bus companies prepared by the Legislative Council Secretariat (background brief)

21. The Under Secretary for the Environment (USEN) briefed members on the proposal to fund the full cost of procuring six hybrid buses for trial by the franchised bus companies in Hong Kong. The length of trial would be two years in order to have a comprehensive assessment of the operational efficiency and performance of the buses under local conditions.

22. Referring to the 2010-2011 Policy Address which stated that the ultimate policy objective of the Administration was to have zero emission buses running across the territory, Ms Audrey EU expressed concern about the slow progress of upgrading to cleaner buses by franchised bus companies if the two-year trial could only commence in the second half of 2012. Besides, the investment of \$33 million for the trial seemed very small as compared to the \$300 million Pilot Green Transport Fund (PGTF). She enquired about the details of the trial, the hybrid models to be tested and the comparison between hybrid buses and electric buses. Mr CHAN Kin-por agreed to the need to expedite the trial. Reference should also be made to the similar experience in Shenzhen which had comparable weather conditions.

23. In response, USEN clarified that funding for the trial of hybrid buses was separate from PGTF. The relevant franchised bus companies would be required to operate the hybrid buses along routes running through the three busy corridors at Causeway Bay, Central and Mong Kok. Since the hybrid buses would be made to order, they would require a delivery time of about 12 months. The length of trial was proposed to be two years in order to have a comprehensive assessment of the operational efficiency and performance of the buses under local conditions, which were characterized by high operation frequency, hilly terrains as well as hot and humid summer that required intense air-conditioning capability. These stringent conditions would put the hybrid buses, particularly their batteries, to very severe test. An interim review would be carried out one year after the start of the trial to provide a preliminary assessment of the performance of the hybrid buses. She added that the experience in Shenzhen might not be relevant because the models on trial in Shenzhen were smaller than the three-axle double-deck hybrid buses to be used in Hong Kong.

24. Mr CHAN Kin-por noted that if the trial was successful, additional requirements would be imposed in the franchises for the bus companies to switch to zero emission buses or the most environment-friendly buses when replacing existing ones, taking into account the feasibility and affordability of bus operators and passengers upon expiry of the current bus franchises. He was concerned that bus operators might not proceed with the switch in the absence of statutory requirements. He enquired if the franchised bus companies could be asked to provide an undertaking that they would switch to zero emission buses or the most environment-friendly buses when replacing existing ones, as otherwise the trial would not serve any useful purpose. USEN said that the trial would assess the operational efficiency and the environmental performance of hybrid buses for use in Hong Kong. There was a need for sufficient data to evaluate the performance of hybrid buses under local operation conditions before consideration could be given to putting them to wider use.

Admin

25. Ms Miriam LAU agreed to the need to test out the feasibility of hybrid buses under local conditions. While supporting the switch to zero emission buses or the most environment-friendly buses, it might not be financially viable for franchised bus companies to replace all the existing buses with hybrid buses given the higher cost of hybrid buses which was twice as much as conventional buses. Besides, there would not be sufficient hybrid models to replace the existing bus fleet. In this connection, she enquired if a trial of electric buses could be conducted in parallel with that of hybrid buses. USEN said that the Administration was considering proposals to try out electric buses in Hong Kong. The outcome of the trials of hybrid and electric buses as well as the cost implications of the switch would be taken into account in deciding on the way forward. At members' request, the Administration would provide supplementary information on how to expedite the trials of hybrid and electric buses.

26. Given the huge investments made in the development of railway lines, Mr KAM Nai-wai asked if the Administration would consider adopting a more innovative approach of buying out all the 5 000 franchised buses in Hong Kong upon the expiry of current bus franchises and replacing them with zero emission buses, the cost of which would be around \$30 billion (on the basis of \$6 million per bus) over a 10-year period. In this way, there would be a clear and definite timeframe for the replacement of existing buses with zero emission buses or the most environment-friendly buses. USEN said that since 2002, provisions were included in the franchise agreements to require the bus companies, as far as reasonably practicable, to adopt the latest commercially available and proven environment-friendly technologies for acquiring new buses to reduce emissions. Upon the expiry of the current bus franchises, additional requirements would be imposed in the franchises for bus companies to switch to zero emission buses or the most environment-friendly buses when replacing existing ones, taking into account the feasibility and affordability of bus operators and passengers. Mr KAM's proposal for the Administration to buy out franchised buses in Hong Kong would involve a fundamental change in the existing transport policies. Notwithstanding, the Administration would relay the proposal to the relevant bureaux for consideration.

27. Mr Andrew CHENG opined that the Administration should take into account environmental considerations in formulating the transport policies. He said that he was not prepared to support the funding proposal at this stage if no undertaking had been given by the bus companies to put hybrid buses to wider use after successful trial. As the inclusion of additional requirement in new franchises for bus companies to switch to zero emission buses upon successful trial fell under the purview of the Housing and Transport Bureau, there was a need for the Panel on Environmental Affairs and Panel on Transport

to hold a joint meeting to discuss the terms of the franchise agreement. USEN said that as announced by the Chief Executive in his 2010-2011 Policy Address, the ultimate policy objective of the Administration was to have zero emission buses running across the territory, the terms of bus franchises would be suitably adjusted to reflect such policy objective, taking into account the outcome of the trial, the availability and feasibility of hybrid buses, and the affordability of bus operators and passengers.

Admin 28. Ms Cyd HO agreed that the most practical way to improve the environmental performance of the bus fleet was to include in the bus franchises the additional requirement for the switch to cleaner buses. She requested the Administration to set out these requirements in the paper for discussion by the Finance Committee (FC). Mr KAM Nai-wai echoed that he would have reservations in supporting the funding proposal if the Administration was not prepared to release the terms of the franchise agreement requiring bus companies to switch to zero emission buses. Ms Audrey EU said that Members belonging to the Civic Party would support early replacement of polluting buses with a view to improving roadside air quality. To facilitate future discussion, the Administration should provide the information requested by members before the funding proposal was submitted to FC for consideration.

29. In concluding, the Chairman requested the Administration to provide the requisite information before the relevant FC meeting.

VI. Any other business

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