

立法會 *Legislative Council*

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Report of the Panel on Environmental Affairs for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Environmental Affairs ("the Panel") during the 2012-2013 Legislative Council ("LegCo") session. It will be tabled at the meeting of the Council on 17 July 2013 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, 11 July 2007 and 2 July 2008 for the purpose of monitoring and examining Government policies and issues of public concern relating to environmental and conservation matters. The terms of reference of the Panel are given in **Appendix I**.

3. The Panel comprises 21 members, with Hon Cyd HO Sau-lan and Hon Christopher CHUNG Shu-kun elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

Major Work

Reducing roadside pollution

Retirement of pre-Euro IV diesel commercial vehicles

4. As at end December 2012, there were some 129,000 diesel commercial vehicles ("DCVs") (excluding franchised buses) in Hong Kong. In 2011, they accounted for 90% of respirable suspended particulates ("RSP") and 50% of

nitrogen oxides ("NOx") emissions from all vehicles and posed a direct health threat to the public. Among the 129,000 DCVs, about 86,000 or two-third are pre-Euro IV DCVs. These vehicles together emit about 90% of RSP and 80% of NOx from all DCVs.

5. Given that if all the pre-Euro IV DCVs are replaced by Euro V models, the vehicular emissions of RSP and NOx will be reduced by 80% and 30% respectively, the Government has decided to adopt an incentive-cum-regulatory approach to phase out heavily polluting DCVs, with details as follows –

- (a) offering an ex-gratia payment up to 30% of the taxable values of new vehicles to vehicle owners for phasing out their pre-Euro IV DCVs. Ex-gratia payment will also be provided to vehicle owners who scrap their pre-Euro IV DCVs without replacement by new vehicles. The payment level will be inversely correlated with the age of the vehicle to be scrapped;
- (b) stopping the renewal of licences for pre-Euro IV DCVs with effect from specified dates in phases. The banning of the most polluting pre-Euro and Euro I vehicles will be implemented on 1 January 2016, and Euro II on 1 January 2017 and Euro III on 1 January 2019 respectively; and
- (c) setting a statutory retirement age of 15 years for newly registered DCVs.

6. The Government has earmarked \$10 billion for the proposed ex-gratia payment to facilitate the early phasing out of heavily polluting DCVs.

7. The Panel was consulted on the above proposal in May 2013. It also held a meeting on 25 May 2013 to receive public views on the subject. While members generally supported the phasing out of pre-Euro IV DCVs, they stressed the need to ensure the cost-effectiveness of spending \$10 billion on the programme and expressed various concerns about the details of the proposal. On the ex-gratia payment, members were of the view that the older and more polluting vehicles should be encouraged to be replaced earlier. They were therefore dissatisfied that under the present proposal, the retirement of the newer Euro III DCVs would be entitled to a higher level of ex-gratia payment than the older and more polluting pre-Euro II vehicles.

8. Members were also gravely concerned about the impact of the phasing-out programme on the transport trades, in particular the livelihood of owners of "single vehicles" who were also drivers ("single-vehicle owners") and relied on the use of DCVs to earn their living. These members pointed out that many of the single-vehicle owners would find it difficult to save up for the

replacement of their DCVs even with the subsidies provided and would be forced out of business. They urged the Administration to consider providing additional financial assistance to the affected owners. Some members also suggested that a phased approach should be adopted whereby the more polluting pre-Euro II models would be phased out first, to be followed by the retirement of Euro III models. Some other members considered that the 15-year service life limit for newly registered DCVs might be too short and requested for scientific data to support setting the service life limit at 15 years.

9. Some members were concerned that the 16 000 pre-Euro DCVs which were highly polluting would still be allowed on the roads up until 1 January 2016 when their licences would not be renewed. By then, these vehicles would be aged 20 years or more. These members suggested that a special arrangement be introduced to incentivize the early retirement of pre-Euro DCVs. Besides, the Administration was urged to take care to avoid transfer of benefits and to assist vehicle owners in the replacement to prevent vehicle suppliers from profiteering under the phasing-out programme.

Increase in commitment for one-off grant to encourage early replacement of Euro II diesel commercial vehicles

10. The Administration launched a one-off grant scheme ("the grant scheme") in July 2010 with an approved commitment of \$539.4 million to provide subsidies to encourage owners of Euro II DCVs (excluding franchised buses) to replace their vehicles with new ones that comply with the prevailing statutory emission standard. The one-off grant scheme lasted for 36 months and would end on 30 June 2013.

11. In May 2013, the Panel discussed the Administration's proposal to increase the commitment for the grant scheme by \$120 million. The Panel was informed that as compared to 1 July 2010, the number of eligible Euro II vehicles as at 30 April 2013 had reduced by some 7 000 vehicles. Among these retired Euro II vehicles, 5 324 had been replaced with new ones under the grant scheme, i.e. about 19% of the eligible vehicles. The total payment amounted to \$457 million, i.e. about 85% of the approved commitment. As at 9 May 2013, there were 1,080 outstanding applications under the scheme being processed. The Administration foresaw that the remaining balance of around \$83 million as at 30 April 2013 would be unable to meet the financial commitment for approving all applications under the scheme.

12. Members were in general supportive of the proposal to increase the commitment for the voluntary grant scheme which, in line with the first replacement scheme for pre-Euro and Euro I DCVs, was targeted at the replacement of the more polluting vehicles. Some members requested the Administration to report the outcome of the grant scheme and its effectiveness in

reducing emissions and improving air quality, in order to facilitate analysis on the way forward.

Retrofitting franchised buses with selective catalytic reduction devices

13. As at end April 2013, there were some 5 700 franchised buses in Hong Kong which accounted for up to 40% of the traffic flow in busy corridors. In 2011, franchised buses accounted for about 20% of NO_x emissions and 6% of RSP emissions amongst the whole vehicular fleet. To improve air quality at roadsides, there is a need to further reduce emissions from franchised buses. While all Euro I buses will be replaced by Euro V or better buses by 2015, the remaining Euro II and III buses, which emit 7.5 to 5 times as much RSP and 1.75 to 1.3 times as much NO_x as compared with Euro IV buses, will only be fully retired by 2019 and 2026 respectively. A trial to ascertain the technical feasibility and effectiveness of retrofitting Euro II and III buses with selective catalytic reduction ("SCR") devices in reducing their NO_x has been conducted by the Administration and three franchised bus companies. The results have demonstrated that the SCR retrofit is technically feasible for the three selected bus models. Another four potential Euro II and III bus models have also been identified for the retrofit.

14. The Panel was consulted on the Administration's proposal to fully fund the franchised bus companies for the capital costs of retrofitting SCRs for some 1 400 Euro II and III franchised buses, including the buses selected for the pre-qualification trial, at a total budget of about \$400 million. The Administration expected that if the 1 400 eligible Euro II and III buses were retrofitted with SCRs, the NO_x emissions of the whole franchised bus fleet could be reduced by about 14%.

15. While the Panel generally supported the SCR retrofit, some members had expressed concerns about the upkeeping of the satisfactory functioning of SCRs. As SCRs were paid for by the Government and installed at its request, these members were concerned how the Administration would monitor the maintenance and performance of retrofitted franchised buses, and whether there would be penalties for the improper use and maintenance of SCRs. They held the view that in the absence of proper monitoring and penalties, the franchised bus companies might remove the SCRs and the service lives of SCRs would likely be shortened if they were not properly maintained by the bus companies.

16. Some members were also concerned about the implications of the retrofit programme on the operating cost and bus fares, given that the maintenance and subsequent replacement of SCRs had to be borne by the franchised bus companies. They demanded the Administration to ensure that the franchised bus companies would bear the costs for the maintenance and replacement of SCRs and would not transfer the additional operating cost to

passengers through increases in bus fares. Other members were concerned about the disposal of SCRs and whether this would cause environmental problems. The Administration had responded that the Government would be funding the initial capital cost of the retrofit programme for the selected buses on a one-off basis. The franchised bus companies would be responsible for the subsequent operational, maintenance and replacement costs associated with the SCR retrofit. While the franchised bus companies would absorb those costs as part of their operating costs, there could be pressure on bus fare increases, as operating cost was one of the six factors under the Fare Adjustment Arrangement for franchised buses which the Government would take into consideration, but the impact should be minimal.

17. A member who did not support the proposal was concerned about the high cost of the programme which would amount to \$400 million. He held the view that there might be other alternatives which were more cost-effective in reducing roadside emissions. He was unconvinced about the cost-effectiveness of the programme as there would be increased fuel consumption arising from the retrofit, thereby causing more pollution.

Reducing emissions from marine vessels

Incentive scheme on the use of cleaner fuel by ocean-going vessels at berth

18. Vessels have become one of the major local air pollution sources in Hong Kong, being the largest source of RSP and NO_x, and the second largest source of sulphur dioxide ("SO₂") after power plants. Ocean-going vessels ("OGVs") are the Administration's primary targets in reducing emissions from marine vessels. The emissions of OGVs while at berth account for about 40% of their total emissions within Hong Kong waters. Requiring OGVs to switch to cleaner fuel while at berth can improve the air quality around the port area. The Administration has therefore launched a three-year incentive scheme in September 2012 to reduce by half the port facilities and light dues of those OGVs that switch to cleaner fuels (with sulphur content not more than 0.5%) while at berth in Hong Kong waters ("the incentive scheme").

19. The Panel received an update on the incentive scheme on 22 October 2012. Members were advised that registered OGVs could apply for reduction in port facilities and light dues for port calls starting from 26 September 2012. As of 15 October 2012, 474 OGVs were registered, 129 applications for the incentive had been received and 97 applications approved.

20. Members were concerned that OGVs were not keen to participate in the incentive scheme as only a few hundred OGVs had registered. Members further expressed concern about the effectiveness of the incentive measures

under a voluntary scheme to encourage fuel switch, and opined that legislation should be introduced to mandate the switch to cleaner fuels. There was also the suggestion that a speed limit should be imposed on OGVs entering Hong Kong waters. Some other members stressed that mandatory fuel switch at berth, if implemented, should be on a regional basis and be applicable to all other ports within the Pearl River Delta ("PRD"), otherwise the competitiveness of the local logistics industry would be undermined.

21. The Administration had responded that discussions were being held with the Guangdong Provincial Government to explore the feasibility of mandating fuel switch at berth in PRD ports to ensure a level playing field amongst the ports in PRD area. Regional cooperation would be sought from Mainland authorities for reducing emissions from across the border and establishing an emission control area in PRD waters in the long run.

22. In mid June 2013, the Administration advised that it had consulted the shipping industry on the proposal to mandate the fuel switch for OGVs at berth in Hong Kong waters and it was supportive. A new regulation would be made under the Air Pollution Control Ordinance (Cap. 311) to implement the requirement. The Administration would seek members' views on the proposal at the Panel meeting on 22 July 2013.

Upgrading the diesel standard for local vessels

23. In 2011, local crafts and river vessels plying between Hong Kong and PRD ports contributed about 21%, 32% and 57% of the total emissions of SO₂, RSP and NO_x from the marine sector. As their emissions could affect the residential developments in the coastal areas, there is a need to reduce these emissions for better protection of public health. Lowering the sulphur content of marine light diesel ("MLD") is an effective means to reduce the emissions of SO₂ and RSP by local vessels. In May 2012, the Administration set up a Working Group on Upgrading the Quality of MLD to examine the technical feasibility of upgrading the quality of local MLD by reducing the limit on sulphur content from 0.5% to 0.05%. In March 2013, the Administration reported to the Panel the key findings of the study and sought members' views on its proposal to upgrade the quality of local MLD with a view to reducing emissions from local vessels.

24. While members were supportive of the general principles of the proposal which was meant to protect the environment, they held different views on the implementation details. Noting the vessel operators' views on the need to regulate the diesel price upon the introduction of the proposed low sulphur diesel ("LSD") with a sulphur limit of 0.05% and to open the fuel supply market to promote greater competition, some members expressed concern about the possible increase in fuel prices if LSD was the only kind of vessel fuel that

could be used in Hong Kong. There was also the concern about the pollution associated with the use of lower grade vessel diesel by river-trade vessels plying between PRD and Hong Kong ports.

25. A member reflected the ferry operators' concern about the increased operating cost brought about by the proposal and the impact on their operation. He suggested that the Administration should consider providing subsidies for ferry operators when implementing the proposal lest the increase in operating cost would be transferred to passengers. In view of the continuing need for tightening diesel standards, he enquired whether the Administration would consider providing subsidies for the replacement of vessel engines, similar to the replacement of aged diesel vehicles. Some other members also suggested that incentives be provided for local marine vessels to encourage them to switch to LSD.

26. The Administration had responded that the oil companies had confirmed the availability of LSD which was a standard and common grade of diesel supplied in Singapore and hence there would be no issue of monopolization. Many local crafts and river-trade vessels opted to refill their vessel fuels in Hong Kong as they were of a better quality and less costly than that supplied in the Mainland. While the Administration had no plans to subsidize the marine trade for introducing the proposal because of the insignificant price increase, it suggested that the trades would put forward their views for its consideration.

27. As the technical feasibility study was only conducted on two engine models, a member was concerned about the compatibility of LSD with two other engine models which were used by about 10% of the fishing trades. Moreover, some of the trades had indicated that the use of LSD had reduced the performance efficiency of their vessels by 5%. He therefore supported that more feasibility studies be conducted on fuel efficiency as well as other engine models.

28. The Panel would, at its meeting on 22 July 2013, invite the public to give views on the Administration's proposal prior to the introduction of the new regulation, which was expected to be tabled in LegCo in late 2013 for implementation in 2014.

Air Pollution Index Reporting System

29. In February 2013, the Panel discussed the Administration's proposed plan to replace the existing Air Pollution Index ("API") by a new health-based Air Quality Health Index ("AQHI") to tie in with the implementation of the new Air Quality Objectives ("AQOs"). The Panel was advised that a review on the API reporting system commissioned by the Administration had recommended

the AQHI system as a model for Hong Kong by using local air pollution and health data. Since the proposed AQHI system was scientifically more robust and more effective in communicating the health risk associated with air pollution to the public, the Administration planned to adopt it in early 2014 to tie in with the launch of the new AQOs.

30. Members generally welcomed the introduction of the new AQHI with the associated health advice for the protection of public health. Some members saw a need for the Administration to consult relevant stakeholders on the formulation of the AQHI bands which were reported in a scale from 1 to 10+. Moreover, more consultation should be held with international trade associations on the efforts made by the Government to improve air quality as Hong Kong's air quality had received wide attention from the international community.

31. Noting that there was no provision for the suspension of classes and outdoor activities on days with extremely poor air quality under the proposed AQHI system, some other members suggested that the Administration should consider introducing such provision under the new system to protect students and workers. Another member was also concerned about the health risks of outdoor work on days with poor air quality, particularly in hot summer months, and considered that the Administration should amend the labour laws for the protection of outdoor workers on days with poor air quality.

Extension of the Cleaner Production Partnership Programme

32. The Cleaner Production Partnership Programme ("CPPP") is a five-year programme launched by the Environmental Protection Department ("EPD") in collaboration with the Economic and Information Commission of Guangdong Province in April 2008. With a funding of \$93.06 million approved by the Finance Committee, CPPP aims to encourage and facilitate Hong Kong-owned factories in both Hong Kong and the PRD region to adopt cleaner production ("CP") technologies and practices. As at end October 2012, the total funding committed under the Programme was close to 99%. It was envisaged that the funding allocation earmarked for implementation of the Programme would be fully expended upon completion of the Programme in January 2013. In the light of the environmental benefits brought by the Programme and the positive feedback received from the industries, the Administration recommended extending CPPP for two years from 1 April 2013 to 31 March 2015 ("extension programme") with an additional funding of \$50 million.

33. Members were generally supportive of the Administration's proposal. Some members considered it necessary for the Administration to review the need for the continuation of CPPP on a longer term basis to ensure sustainability of the environmental benefits achieved. As funding could not be provided on a

permanent basis and the adoption of CP technologies and practices had resulted in reduction in emissions as well as savings in both energy and production costs, these members were concerned that any reduction in government subsidy might dampen investment by operators of Hong Kong-owned factories in adopting CP technologies and practices. They requested the Administration to make efforts to encourage participating factories to implement CP technologies and practices at their own costs. Another member, however, noted the substantial cost of investment in CP technologies and practices by Hong Kong-owned factories and suggested that the Administration should assist the factories in obtaining loans from banks or financial institutions for upgrading their technologies for the purpose.

34. Some other members opined that more stringent vetting criteria should be adopted for the extension programme so that funding would only be provided to demonstration projects of a pilot and exemplary nature, the experience of which could be shared among participating factories. Given that CPPP had been implemented for five years, demonstration projects on popular technologies whose experience had already been widely shared should not be further funded under the extension programme.

Waste management

Municipal solid waste charging

35. The Administration completed a public consultation on municipal solid waste ("MSW") charging as an option to provide incentive for waste reduction in 2012, and the result revealed that there was majority support to introduce MSW charging in Hong Kong to help reduce waste. On the basis of the feedback received, the Administration proposes to affirm the direction of introducing quantity-based MSW charging in Hong Kong. As there was mixed feedback from the public consultation on the implementation details of the charging mechanism, the Administration also proposes to conduct a second-stage public engagement through the Council for Sustainable Development to gauge views from the community. In December 2012, the Panel was consulted on the way forward with regard to MSW charging.

36. The majority of members were gravely concerned about double levy since the charges for waste collection had already been included in government rates, and hence demanded the Administration to consider offsetting MSW charging by a corresponding reduction in rates. Some members supported that the levy collected from waste charging be ploughed back to assist the development of waste recycling industries. They also opined that with the introduction of waste charging and the resultant reduction of waste deposited at landfills, a holistic review on the waste management strategy should be conducted to decide the way forward. A member, however, held the view that

as waste charging would incentivize the community to reduce and recycle waste, there was no need to offset waste charges by rates reduction. Otherwise, this would defeat the intended purpose of waste charging. Besides, considerable administrative costs would be incurred by the offsetting arrangements.

37. Some members supported that a progressive charging approach be adopted such that waste collection could be free of charge at the initial stage. Some members also urged the Administration to make more efforts to separate waste at source and to educate the public about the need for waste reduction. There was also the concern about aggravation of fly-tipping in old districts following the implementation of waste charging, and it was suggested that the Administration should consider incentivizing waste recycling through offering rebates for the return of recyclables before implementing waste charging.

38. The Panel passed three motions which respectively demanded that, if the Government was to introduce quantity-based waste charging, the rates be lowered concurrently to avoid double levy; a phased and progressive charging approach be adopted and a "free of charge" policy be adopted in the first phase; and on the basis of the "revenue-neutral" principle, the charges so collected be rebated to those users who had succeeded in reducing waste.

Producer Responsibility Scheme on glass beverage bottles

39. To enhance the management of waste glass beverage bottles, the Government launched a three-month public consultation on 7 February 2013 to consult the public on the introduction of a mandatory Producer Responsibility Scheme ("PRS") on glass beverage bottles ("the Scheme"). The consultation document proposes a government-led approach under which the Government on the one hand would appoint a glass management contractor ("GMC") to coordinate collection of spent products from consumers and proper treatment by competent recyclers, and on the other hand collect recycling fees from suppliers of glass-bottled beverages to cover PRS operation costs in line with the "polluter pays" principle. The Panel was briefed on the public consultation on the PRS on glass beverage bottles in February 2013. It also held a meeting to receive public views on the subject.

40. Some members supported that the recycling fee collected from the PRS on glass beverage bottles be used to finance its operation under the "polluter pays" principle, while others saw a need for more information on the Scheme, in particular the recycling fee to be levied and whether such would be sufficient to finance the operation of the Scheme. On the coverage of the Scheme, as the Administration had proposed not to include other types of beverage containers under the mandatory PRS at this stage, some members were concerned that consumers would tend to shift to beverages which were sold in aluminium cans, plastic bottles and carton boxes with the levy of recycling fee

on glass-bottled beverages. They urged the Administration to take the opportunity to include other glass bottles under the Scheme.

41. Noting that there would be five pilot community green stations to enhance logistics support at the community-level recycling, some members suggested that the stations should be provided at districts with prevalence of restaurants, bars and clubs, such as Wan Chai and Tsim Sha Tsui.

42. On the appointment of GMC, members requested the Administration to put in place a monitoring mechanism to ensure a level playing field with other waste glass recyclers and to prevent monopolization of services. Some members considered that the Administration should take measures to assist waste glass recycling operators who might have to incur significant investments in terms of land and resources. Others suggested that more GMCs, preferably one each in Hong Kong, Kowloon, the New Territories and outlying islands, should be appointed to facilitate recycling and avoid monopolization. Members were also very concerned about the outlets for waste glass materials. Given the limited usage of the recycled glass-containing paving blocks, there might not be sufficient demand for such blocks if produced on a large scale by GMC under the Scheme. In order to provide a market for locally manufactured recycled products, members were of the view that priority should be given to the procurement of such products under the Government's procurement policy.

Landfill extension

43. At present, Hong Kong relies on the three existing landfills at Northeast New Territories ("NENT"), West New Territories ("WENT") and Southeast New Territories ("SENT") to dispose of its waste. According to the Administration, the three landfills will be exhausted one by one by 2020 and there is an urgent need to extend them to serve as the final repositories for non-recyclable and residual waste. The Panel was consulted on the three landfill extension projects on 27 May 2013. It also held a meeting on 1 June 2013 to receive public views on the proposed landfill extension. The majority of the deputations and individuals who gave views on the subject objected to the SENT Landfill Extension.

44. Members were gravely concerned about the environmental and health impact associated with the SENT Landfill Extension. Members who did not support the extension pointed out that the odour nuisances arising from the SENT Landfill had been affecting Tseung Kwan O ("TKO") residents for a long time. The air pollution associated with the transfer of waste along Wan Po Road from dumper trucks and refuse collection vehicles was another cause for concern. The management of the SENT Landfill should be required to implement measures to reduce environmental nuisances, but no such measures had been taken. It would be irresponsible on the part of the Administration to

extend the SENT Landfill without resolving the environmental problems associated with its operation. It was also unfair to require TKO residents to continue to bear the consequences of the unsatisfactory progress in the implementation of the Government's waste management strategy.

45. Some other members held the view that the landfill extension problem stemmed from the poor urban planning of TKO which allowed residential developments to be located in the vicinity of the SENT Landfill, and the landfill extension would aggravate the odour nuisances and dust problem and pose health risk to TKO residents. Other members criticized the Government for advocating the development of waste infrastructure projects without taking measures to reduce waste and improve the recycling network. Some members opined that the way forward should be closure of landfills and increased waste recycling rather than landfill extensions.

46. A member was dissatisfied that while measures were implemented to reduce the environmental nuisances at the SENT Landfill, no such measures were taken at the NENT and WENT Landfills for the benefit of residents of Ta Kwu Ling and Tuen Mun, where the scale of landfill extension was much larger than that of the SENT Landfill. Moreover, the Administration had given an undertaking to Tuen Mun residents that no additional obnoxious facility would be built in Tuen Mun after the construction of the sludge treatment facility. Residents of Ta Kwu Ling were also concerned that all odorous food waste would be disposed of at the WENT and NENT Landfills if the SENT Landfill no longer received MSW, including food waste. The nuisance associated with transport of waste was another cause of concern on account of the long distance in the delivery of waste to the two landfills.

47. A member who supported the landfill extension projects noted that the Administration had agreed to designate the proposed SENT Landfill Extension for the reception of only construction waste in an attempt to reduce the odour nuisance as well as the traffic and environmental impact associated with the transport of waste. He was of the view that given the present progress of the waste management strategy, landfills would still be needed in Hong Kong in the near future. If the landfill extension projects were withdrawn, Hong Kong would run into a waste catastrophe. While supporting the extension of landfills, the member urged the Administration to liaise with the districts concerned on the landfill extensions with a view to mitigating the nuisances and providing suitable compensatory measures for the betterment of the districts and affected residents.

48. After deliberation, the motion that "this Panel objects to the Southeast New Territories landfill extension project" was passed by the Panel, while another motion that "this Panel objects to all landfill extension projects proposed at this stage" was negatived.

Measures to tackle fly-tipping of construction and demolition waste and illegal land filling

49. The Panel discussed the measures to tackle fly-tipping of construction and demolition waste ("C&D") and illegal land filling, as well as the case of asbestos waste being abandoned at a site in Ma Tong Village, Chuen Lung. The Administration also briefed members on the background to the proposal to amend the Waste Disposal Ordinance (Cap. 354) ("WDO") which was meant to enhance the enforcement against unauthorized depositing of abandoned C&D materials on private land. The proposed amendments to WDO would introduce a new procedure under which EPD would be notified of the authorization for depositing of C&D materials on private land in advance of the activity and such authorization would be given in writing by all owners of the private land concerned. With the new procedure, planning, lands and other authorities might also be alerted of such activity.

50. Some members were concerned that while the proposed amendments to WDO would serve to combat large-scale waste depositing activities in the rural areas, they could not resolve the small-scale fly-tipping of C&D waste left in heaps at roadsides during odd hours, and demanded that enhanced efforts be made to resolve the fly-tipping problem. Some other members noted with concern the rising number of complaints on fly-tipping activities and the small number of prosecutions. These members commented that the low level of penalty and the low prosecution figures had failed to deter unauthorized depositing activities. They suggested that the Administration should consider increasing the maximum penalty level for unauthorized depositing activities so that the court would take this into account upon conviction of the offenders.

51. Regarding the fly-tipping incident at Ma Tong Village, some members criticized that while the problem was identified as early as 2011, no action had been taken until early 2013 when the problem drew public attention due to complaints on the depositing of asbestos. They were concerned about the lack of enforcement against such unauthorized depositing activities and demanded that more efforts be made to identify and prosecute the offenders to deter recurrences. Noting that affected owners would have to pay the cost of removing the deposited materials, a member considered that the Administration should provide assistance to such owners who were the victims of unauthorized depositing activities.

Visit to Republic of Korea on waste management

52. The Panel noted that Seoul, Republic of Korea, had been very successful in achieving waste reduction and it shared many similarities with Hong Kong in population density and the built environment. Its path towards success would provide good reference for Hong Kong. A delegation of the

Panel comprising 12 Panel members and five non-Panel members undertook an overseas duty visit to Seoul, Republic of Korea, from 1 to 5 April 2013 to study the city's experience in various aspects of waste management, including waste reduction, waste recycling and waste treatment infrastructure. A report on the visit will be issued separately.

53. After the visit, the delegation held an exhibition of the photographs taken and the souvenirs and publications received in the Dining Hall of the LegCo Complex on 17 and 18 April 2013 to brief other LegCo Members and the media on the visit. The exhibition was then moved to the Exhibition Area and the LegCo Library of the LegCo Complex and opened to the public from 22 April to 7 June 2013.

Visit to waste management facilities in Hong Kong

54. On 11 May 2013, the Panel visited various waste management facilities in Hong Kong to understand their operation. The facilities visited included the Tuen Mun and Yuen Long Recycle Centre, EcoPark, TKO/I Restored Landfill and SENT Landfill.

Low carbon living

Restriction of sale of energy-inefficient incandescent light bulbs

55. The Administration launched a three-month public consultation in August 2011 to invite public views on whether Hong Kong should restrict the supply of energy-inefficient incandescent light bulbs ("ILB") by mandatory scheme, voluntary measures or leaving it to market forces. In December 2012, the Panel was briefed on the outcome of the public consultation and the Government's efforts in promoting the collection and treatment of spent Compact Fluorescent Lamps as well as in promoting the development and application of Light Emitting Diode.

56. The Panel was advised that the consultation showed that there was no majority support for taking a mandatory approach at this stage. However, considering that that ILB was highly energy-inefficient, that there were already sufficient replacement options and that there was a strong economic case for using more energy-efficient lamps, the Administration proposed to adopt a dual-pronged approach in expediting the phasing out process to reap the environmental benefits as quickly as possible, instead of just leaving it to market forces. On the supply side, the Administration would launch a Charter Scheme with suppliers and retailers to reduce the supply of ILB. On the demand side, it would step up publicity efforts to educate the public and major lamp users on the benefits of using more energy efficient lamps, which would not only help save energy and reduce carbon dioxide emissions, but also cut down electricity bill.

57. Some members favoured a voluntary approach to phase out ILB through the Charter Scheme rather than resorting to a legislative approach, given that ILB was not a harmful substance which would justify mandatory restriction. Some other members, however, supported a mandatory approach as this would give a clear message to the public about the need to replace the energy-inefficient ILB with more energy-efficient lighting. These members requested that a time frame be set for phasing out ILB by banning the import of ILB and exhausting the existing stock of ILB.

58. The Administration had responded that the effectiveness of the Charter Scheme would be monitored and if the Scheme was found to be ineffective, it would not rule out the possibility of introducing legislation to phase out ILB.

External lighting in Hong Kong

59. To address the energy wastage and light nuisance problems that may be caused by excessive external lighting, apart from promulgating the Guidelines on Industry Best Practices for External Lighting Installations in January 2012 to encourage early improvement actions by stakeholders, the Government has set up a Task Force on External Lighting ("the Task Force") to advise it on the way forward to deal with external lighting issues in Hong Kong. On 24 June 2013, the Panel was informed of the Task Force's view that the introduction of a switch-off requirement after a preset time would be the appropriate way forward for Hong Kong, and noted that an engagement exercise would be conducted by the Task Force to consult stakeholders and the public on the preset time; the scope of regulation and exemptions; as well as the implementation approach.

60. On the implementation approach, some members favoured the introduction of legislation to mandate the switch-off requirement in order that the regulation could be enforced and be effective. On the other hand, some other members supported the introduction of a charter scheme under which owners and the management of external lighting installations would pledge to switch off their lighting installations at preset time as this could enable the Administration to gauge the impact of the requirement on business operators.

61. Noting the Task Force's proposal that the switch-off requirement should not apply to lighting necessary for security, safety or operational reasons, some members were concerned that such exemption might create loopholes whereby some shop operators could circumvent the requirement by claiming that their lighting installations had to be switched on after the preset time for security reasons. However, some members supported that lighting for security and safety purposes should be exempted. Some other members held the view that the Task Force should consider setting standards to control excessive light intensity and flashy light.

Environment and Conservation Fund

62. The Environment and Conservation Fund ("ECF"), which is a statutory trust fund established in 1994 under the ECF Ordinance (Cap. 450), aims to promote behavioural and lifestyle changes to protect the environment and achieve sustainable development through subsidizing projects and activities initiated by eligible non-profit-making organizations. Since 1994, ECF has supported over 3,900 projects totalling \$1,668 million. In May 2013, the Panel discussed the Administration's proposal to inject \$5,000 million into ECF with a view to generating investment income for long-term and sustained support for community green actions.

63. The Panel was supportive of the Administration's proposal. Some members suggested that the experience gained from implementing ECF-funded projects should be applied on a wider scale in Hong Kong. For those ECF projects such as waste recycling operations which were found to be commercially viable, they should be handed over to the private sector for continued operation. Some other members requested the Administration to take measures to ensure that ECF funding would not be used by political parties to solicit support in election campaigns, and those organizations which were found to have misused the funds should be required to return the funding to ECF.

64. Some members were also concerned whether the investment return from the \$5,000 million injection would be sufficient for providing funding for ECF projects each year. The Administration had responded that on the basis of the current return rate of about 5% per annum, the expected investment return would be about \$200 million per annum. As ECF had an average funding payout of about \$154 million per annum, the investment return of \$200 million per annum should be sufficient for funding projects and operating expenses.

Subcommittee on Issues Relating to Air, Noise and Light Pollution

65. In view of the wide public concern about the problems of air pollution and noise pollution and the increased public awareness of the impact of external lighting, the Panel agreed at its meeting on 26 November 2012 to set up a subcommittee to study issues relating to air, noise and light pollution for better protection of public health. The Subcommittee has held eight meetings so far and during three of the meetings, academics have been invited to share their expert views on the impacts of air, noise and light pollution on the health of Hong Kong people, and on air quality modelling in Hong Kong. The academics who attended the meetings were Professor WONG Tze-wai, Professor LAM Kin-che and Professor CHAN Ying-keung of the Chinese University of Hong Kong, Professor Anthony Johnson HEDLEY and Dr LAI

Hak-kan of the University of Hong Kong, Dr Nicky LAM of the City University of Hong Kong, as well as Professor FUNG Chi-hung of the Hong Kong University of Science and Technology. The Subcommittee is concurrently continuing with its work and will make a report to the Panel after completion of its study.

Others

66. The Panel also discussed the issues relating to the provision of a public bathing beach at Lung Mei, Tai Po, at the joint meeting with the Panel on Home Affairs, the Government's efforts to develop eco-tourism, the regulatory and management controls currently put in place to minimize the impact on the marine environment arising from dredging and sediment dumping activities in the Hong Kong waters, as well as the monitoring arrangement for recyclables collection in public places and the measures taken by the Government to promote the local recycling trade.

67. The Panel was consulted on several sewerage projects, namely, 382DS – Sewerage at Clear Water Bay Road, Pik Shui Sun Tsuen and west of Sai Kung town; 125DS – Tolo Harbour sewerage of unsewered areas, stage 2; 339DS – North District sewerage, stage 1 phase 2C and stage 2, phase 1; and 355DS – Outlying Islands sewerage, stage 2 – Lamma village sewerage phase 2.

68. From October 2012 to June 2013, the Panel held a total of 15 meetings, including one joint meeting with the Panel on Home Affairs.

Legislative Council

Panel on Environmental Affairs

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to environmental matters (including those on energy), conservation and sustainable development.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

**Legislative Council
Panel on Environmental Affairs**

Membership list for 2012-2013 session

Chairman Hon Cyd HO Sau-lan

Deputy Chairman Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Members Hon Vincent FANG Kang, SBS, JP
Hon CHAN Hak-kan, JP
Hon CHAN Kin-por, BBS, JP
Hon Albert CHAN Wai-yip
Hon Claudia MO (since 28 January 2013)
Hon Steven HO Chun-yin
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Hon Charles Peter MOK
Hon CHAN Han-pan
Dr Hon Kenneth CHAN Ka-lok
Hon KWOK Wai-keung
Hon Dennis KWOK
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon CHUNG Kwok-pan
Hon Tony TSE Wai-chuen

(Total : 21 Members)

Clerk Ms Miranda HON

Legal Adviser Miss Evelyn LEE

Date 28 January 2013